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JPRS-EER-86-152

14 OCTOBER 1986

East Europe Report

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14 OCTOBER 1986

EAST EUROPE REPORT

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AGRICULTURE

GERMAN DEMOCRATIC REPUBLIC

FRG FARM PRODUCTION OVERSHADOWS GDR DESPITE POLICY CHANGES

Bonn DIE WELT in German 5 Jul 86 p 2

[Article by Dieter Fuchs: "Visiting the University in the Green, Kiechle Is Likely to Miss the Most Important Thing"]

[Text] On Sunday Ignaz Kiechle will leave his domestic butter mountains and milk lakes to visit the GDR's socialist agriculture for 2 days. There, rural workers and members of agricultural production cooperatives (LPG's) are "struggling" for higher yields. Honecker: "The attained is not yet the attainable."

Quite so. The 1985 record harvest brought the GDR an average yield of 4.6 metric tons of grain. The FRG's private agriculture came to an average of 5.3. Before the war, more grain per hectare was harvested on the average in the territory of today's GDR than that of today's FRG.

Kiechle's inspection tour starts with the University in the Green, as East Berlin propagandists are calling the AGRA agricultural exhibition in Leipzig-Markkleeberg. There he is going to see the displays of many model enterprises, but not ordinary socialist agrarian enterprises. Even the subsequent inspection of a crop production LPG is not likely to show him those...

More than 400 interpreters at AGRA "support the effective explanation of displayed experiences," according to its director, Dr Karl-Heinz Poosch. Technology is celebrating special triumphs, as the party has decided, after all, broadly to initiate the "key technologies" (microelectronics, biotechnology and so forth). There are 27 computers in Markkleeberg. You can get "computer aided fertilization suggestions" and see irrigation installations under computer control.

Among the latest GDR accomplishments are rhizobia stems (to increase the clover yield) and transfer calves (animals from embryonic transplant). Politburo member Werner Felde, who is the SED Central Committee secretary in charge of agrarian policy in the GDR, told 1,300 functionaries at AGRA that the use of micro-electronic and biotechnical tools would cause "penetrating changes" in agriculture.

In the green revolution by the Reds that has lasted for decades by now, a new phase is thus surfacing even before the mistakes of the last phase were eliminated. It started with the land reform after the war. That raised the number of agricultural enterprises to more than 800,000 (average size 8 hectare). The precipitous coercive collectivization of 1959/60 made the number of enterprises shrink to some 20,000 (average roughly 300 hectare). In the 1970's the party demanded a specialization of all enterprises either in crop or animal production.

In 1980, along with some 3,100 animal production enterprises, only roughly 1,200 crop production enterprises were left (average size 4,800 hectare). Yet this separation between agriculture and husbandry led to failure. In November 1981, the first SED secretary of the Schwerin agrarian district, Heinz Ziegner, surprised the Central Committee by saying cooperative farmers had told him that "again such a beneficial situation was developing where the stables were as little off limits to the crop producers as the acres to livestock breeders."

That beneficial animal-crop reunification was engineered, to be sure, not by returning to the old and much too small mixed LPG, but by combining several enterprises into cooperations. According to material presented to the 11th party congress in April, the GDR had 1,193 such cooperations early in 1986.

On the average one cooperation has 4,800 hectare of acreage and 4,500 cattle units. In the FRG only 0.7 percent of all farm enterprises have more than 100 hectare in farm acreage. Their average size is 159 hectare.

Whereas the main type of GDR agrarian enterprises across the detour of separating agriculture from husbandry led to cooperations, which boosted it greatly, some acreages were reduced in size. And that, according to the latest reports, evidently is supposed to continue.

According to East Berlin's BAUERNZEITUNG, Werner Felfe, after a discussion in the Academy of Agricultural Sciences about sugar beet cultivation raised the question "whether that should not give rise generally to considerations on the acreage size for growing this type of root crops."

For good reason they have soured over sugar beets especially. Between 1935 and 1938 the average hectare yield on FRG territory was 6 percent higher, but in 1985, 62 percent. Or, as the farmers say in the GDR: If the cock crows on the hill, some things never change, some will.

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CSO: 2300/551

AGRICULTURE

GERMAN DEMOCRATIC REPUBLIC

ECONOMIC SIGNIFICANCE OF GRAIN PRODUCTION, STORAGE, PROCESSING

East Berlin PRESSE-INFORMATIONEN in German No 69, 17 Jun 86

[Article under rubric "Figures and Facts": "Grain Production at Heavy Weight"]

[Text] Grain, oleaginous fruit, and seed production are coming up in these weeks of summer over a roughly 2.83 million hectare spread. These granular products must be harvested rapidly and in good quality, transported, and stored properly. Thereby the cooperative farmers and workers in the LPG's, GPG's, and VEG's and their cooperation partners in the agro-chemical centers and the grain economy state farms, together with many helpers from other sectors, are making an important contribution to feeding the population.

Annually more than 3 million tons of feed grain are used in the GDR to ensure the per capita consumption of circa 120 kg of baking goods, 4 kg of farinaceous products, 100 kg of flour and nutrients, and circa 140 liter of beer. We cover between 30 and 40 percent of our calory requirements from grain products, one third of the carbohydrates, just 30 percent of the protein, from 50 to 60 percent of Vitamin B, and four fifths of Vitamin C.

Grain plays a predominant role as livestock feed. Between 60 and 70 percent of the corn and parts of the straw also are refined, as it were, and reach our dining room tables in form of meat, milk, and eggs. That sets aside some 650 kg of grain per capita and year.

For the grain harvest the LPG's, GPG's, and VEG's have approximately 16,000 harvester-threshers, in addition the harvesting equipment for the straw, the transportation vehicles and so forth. In one week preparing for the grain harvest in June, the cooperative farmers and workers together with state and economic management organs in the enterprises of agriculture and the foodstuffs industry check the state of preparations and the material-technical prerequisites for effective harvesting. That week also is used to familiarize all the ones involved with tasks and requirements. The points of importance in socialist competition are an effective harvesting process with reduced expenditures and minimal losses, a high quality grain and subsequent fieldwork, and meeting the agrotechnically most favorable time spans.

For 1986 the farm workers have adopted the task to stabilize and expand the crop production yields attained. Particularly grain production rose considerably in the course of the last 5-year plan. The average yield in the years between 1976 and 1980 lay around 35.8 decitons per hectare and rose to 41.3 decitons in the years from 1981 to 1985. The LPG's and VEG's under many cooperative managements on that basis took care of their own livestock feed requirements out of their own production.

With an average yield of 46 decitons per hectare--in winter wheat even 53 decitons--we saw a record harvest of 11.6 million tons of grain in 1985. More than 10 million tons of grain have thus consistently been harvested since 1982. Up to 1990--as the 11th party congress directive on the 5-year plan for economic development provides, we are to get a grain production of between 11.8 and 12 million tons. That calls for increasing hectare yields up to between 45 and 47 decitons.

Scientific-technical progress is the key to the needed grain production growth. Clean fields, well taken care of, dense and healthy crops, and long and full ears illustrate that effect. The crucial factor, it turns out, is working with acreage-related maximum yield conceptions in which the latest scientific data and proven farm experiences are put on one and the same denominator.

The best units in grain production have demonstrated for years that working with acreage-related maximum yield conceptions is an essential prerequisite for increasing and stable harvest yields and for surmounting unjustified disparities in yields. In conformity with the given natural conditions, e.g., 75.1 decitons of grain per hectare were harvested last year in the Schwaneberg state farm in Wanzleben Kreis, 61.7 decitons in the Kalkhorst LPG, Grevesmuehlen Kreis, 71.1 decitons in the Striegnitz LPG, Meissen Kreis, and 48.9 decitons in the Schoenewalde LPG, Herzberg Kreis.

Between 1982 and 1985 scientists provided the LPG's and VEG's with 20 new grain varieties. Not a few of them are the outcome of close cooperation with science institutions in other socialist countries. The new varieties are marked by a higher yield and greater resistance and by their properties conforming better to a given utilization purpose. Cultivation thus made a considerable contribution to yield increases and stabilization. Last year already two thirds of the grain acreage grew these new varieties. For 1986, another five varieties were authorized.

Three million breads and 30 million buns are eaten each day. Together with the cooperative farmers and farm workers the more than 26,000 working people in the combines and enterprises of the grain industry and the processing industry also bear the responsibility for that. It is up to them to store the high-grade feed grain with minimal losses, and when the weather is bad, some loads of grain have to be dried more than once.

Their tasks include also the production of mixed livestock feed for the LPG's, VEG's and their cooperative facilities in livestock production. For that, more than 4.4 million tons of grain were bought up last year--the largest volume thus far. In the week from 7 to 13 August 1985 alone, the working people in the grain industry had to receive, preserve, and store a total of 1.85 million tons. The record, however, came in the week between 15 and 21 August 1984, at 2.1 million tons.

Grain is being processed into 180 different products. Quite specific properties decide how the corn is to be used in the foodstuffs industry. For brewery barley, e.g., a high germinating capacity and a low raw protein content are needed. For wheat, on the other hand, a high protein content alone provides the guarantee for processing and refining it well.

Cultivation takes account of such properties, yet crop production measures can affect them too. In order to meet such qualitative requirements better and get higher yields, the processing industry in 1986 for the first time signed contracts with LPG's and VEG's on producing and buying up nutritional wheat especially to make maccaroni and other farinaceous products. This provides a broad arena particularly for the 38 cooperation associations for nutritional grain in which 545 LPG's and VEG's are working together at present.

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CSO: 2300/551

ECONOMY

CZECHOSLOVAKIA

MINISTER PRAISES PROGRAM FOR FOREMEN

Prague RUDE PRAVO SUPPLEMENT in Czech 16 Aug 86 pp 1, 7

[Interview with Minister of Labor and Social Affairs of the CSSR Eng Miloslav Boda, by Jan Lipavsky: "And What Is Your Opinion, Comrade Minister?"]

[Question] A discussion of problems in compensation of foremen is taking place in the pages of the HALO SOBOTA supplement. What do you think of it, Comrade Minister?

[Answer] I am following with interest the articles, comments, and the views of workers, foremen and other employees, and I am happy that I have this opportunity to respond. The voices we hear are both objective and subjective.

[Question] Is there any harm in that?

[Answer] No, there is none, if an effort is made to pinpoint and eliminate the shortcomings. Nevertheless, in the interest of national solutions we must speak of typical phenomena in general terms based on partial information and establish generally applicable principles and conditions.

[Question] Whom do you mean by "we"?

[Answer] I mean those of us in the ministry because in the sense of our party's policies we are authorized to prepare, in cooperation and coordination with other agencies, measures for our government in accordance with real needs of our people and our economic potential.

[Question] There may be objections that this is not the case of rewards to foremen.

[Answer] That is a mistake. In our republic there are about 120,000 foremen (or positions with a different title but with similar duties) employed in various branches. That number of employees is not negligible.

[Question] So much less negligible are their material incentives for better performance of their jobs. What in fact is their status?

[Answer] Precisely so; or in other words, this is not only a matter of determination of wages, by which I do not wish to downgrade material security

of our foremen and their families. Both sides of the coin--the wage aspect and the social factor--should be in balance.

[Question] They should, but in some instances they are not. Let us take the already mentioned status of the foremen. How often does the manager regard the foreman as someone of secondary importance, although the foreman is an extension of the manager's arm?

[Answer] In our experience the status of foremen in the labor process varies a great deal; it depends to a considerable degree on the manager's attitude to foremen. From our practice we know that such approaches differ. In simple terms, the foreman's job is not always and everywhere properly appreciated.

[Question] And yet there are certain principles which the enterprises should follow.

[Answer] They should. The principles "Concerning the Task of Foremen in the New System of Industrial and Construction Management" adopted by the decision of the CSSR government in 1960 remain in force and in many respects are still timely, for example, as concerns the obligation of the managements of plants and enterprises to provide systematic care of foremen, to utilize fully and properly every opportunity offered by the wage system for foremen's compensation, in other words, to achieve a desirable balance between the earnings of the foreman and those of his subordinates. To be sure, our party, trade-union and SSM [Socialist Youth League] organizations must follow this rule and promote it in their specific programs.

[Question] That is all well and good, but again--that is not the rule everywhere. Could the problem be that, after all, the document you have mentioned has become somewhat outdated.

[Answer] After 25 years some of its stipulations have undoubtedly become obsolete. Our technological and economic development has progressed enormously and so has the standard of our social and labor relations. In conjunction with such changes the position of foremen in industrial management must be reinforced and the effective principles of the document in force must be further developed. After all, every manager knows that the foreman is the basic link in the process of management and that his professional and political qualifications and the conditions for the performance of his job determine to a major degree the success of the achievements of the whole plant or enterprise. This view conforms also with the decisions of the 17th CPCZ Congress and with measures adopted by the CSSR government.

[Question] Nevertheless, the principles you mention are being ignored in many places. You know that better than we do.

[Answer] Indeed I do. For instance, errors are committed already during foremen's selection, training for upgrading of their skills. The problem is in fair compensation for their work. In some cases their authority is limited; there are shortcomings in the enterprise subdivision management, in the management of operations in industry, and so on. We realize that the foreman's work is often underrated even from the moral point of view; a situation which

would strengthen their authority is not created; they are overburdened by excessive administrative duties, etc.

[Question] Contrary to the fact that even before the 17th CPCZ Congress the 10th session of the CPCZ Central Committee emphasized that the role and status of foremen in industry should be upscaled. What are you in the Ministry doing in that respect?

[Answer] I can prove that we in our Ministry are very vigorously tackling all such problems and their solution, particularly in cooperation with the URO [Central Council of Trade Unions], the governmental committee for the affairs of planned management of national economy and the branches of appropriate ministries. We have profited also from information from our soviet friends and of course, our point of departure is above all the experience of our foremen. Within Stage II of the ZEUMS [Increase of Wage System Efficiency] we have found the solution to improving the foremen's wages on the basis of their overall skills and performance over an extended period.

Furthermore, we held a meeting focusing on measures for the purpose of upgrading the role and status of foremen in the current stage of our social development. Similar meetings were held for expert foremen in our Ministry and also directly in enterprises--the NHKG [New Metallurgical Works of Klement Gottwald] in Ostrava and the Slovnaft in Bratislava--and at the URO.

[Question] What specifically was the purpose of those meetings?

[Answer] We intend to create conditions where the foremen in every enterprise have a bright future for the development of their skills and status, where they may be better appreciated also in moral terms, and where they have every opportunity to function as a reliable link of management.

We are interested in organizing advisory agencies for directors of enterprises and for plant managers--i.e., foremen's councils--which were found effective for instance in the Poldi SONP [United Steel Works, national enterprise] as an important factor in mutual exchange of information and unified methodology. They will not be elected entities but working committees of foremen, aimed at better management, especially management of operations in a production unit.

[Question] However, that does not seem enough to upgrade the social status of foremen. Are our legislative agencies not supposed to have their say and to specify in greater detail--in view of the conditions in R&D revolution--the rights, competence and authority of the foremen and their responsibility for the sectors assigned to them?

[Answer] That is exactly the goal of the whole extensive program I have partly characterized already in my reply to your previous question. The duties of the ministries, the VJH's [economic production units] and economic management must be everywhere specified in relation to foremen; the same principle applies to the foreman's rights and duties vis-a-vis economic management and the team he leads. The foremost duty of the management is to ensure good planning of the production and the supply of materials, and to

determine the requirements of technology and personnel. However, much of that is often left on the shoulders of foremen. Or let us take a look at their selection. In some plants and enterprises the management makes this job very easy. In fact, it is not possible to rely solely on material incentives for prospective candidates for that position in the hope that they may gradually gain the qualities required for the foreman's job....

In some places the authority and influence of foremen have been weakened by the elimination of special compensation funds at their disposal. That, too, has diminished the status of foremen in the eyes of workers.

[Question] And finally, let us turn our attention to the question of wages. Our readers voiced in their letters the opinion that the contribution of ZEUMS to fair rewards has been overestimated....

[Answer] I cannot agree with that attitude. Such a view stems either from insufficient information and lack of understanding of this wage system whose full application naturally presupposes a dynamic development of economic outputs, or else it stems from incorrect implementation of ZEUMS.

[Question] The latter seems to prevail.

[Answer] Our experience with its application has confirmed that the assertions that the wage system was overestimated are unsubstantiated. I should like to stress that Stage II of ZEUMS has, among other things, improved the wage system in a way that encourages better performance, efficiency and quality; moreover, its purpose is to enforce the principle of pay according to merit, the difficulty of the assignments, and performance. Furthermore, it should provide impetus for the achievement of better economic results for the foremen; we expect that it will help make some order in the rewards system. The main objective of Stage II is above all more thorough application of the system of pay according to merit and greater emphasis on differentiated rewards.

[Question] How can you prove that ZEUMS is effective?

[Answer] For ZEUMS speaks first of all the fact that among organizations where Stage II has been introduced--as of 1 January 1986 there were 595 such organizations with nearly 2 million employees--labor productivity was up in almost every case at a faster rate than planned. In this conjunction, those enterprises created in addition conditions for faster growth of wages which they fully cover from their own internally accumulated resources. Such growth is therefore directly related to better production and economic achievements. Our experience has confirmed that wherever ZEUMS is applied in a creative way and its opportunities are consistently used to the best advantage, there is satisfaction as well as good economic achievement and consequently, good earnings.

[Question] However, what was the meaning, for example, of Comrade Petrilova's article which appeared in RUDE PRAVO on 12 June 1986? She notes that the problem lies mainly in errors in the quality of the standardization program

and in shortcomings in internal directives for employees' compensation, if, for instance, nonfulfillment of bonus indicators is tolerated. The consequences are as clear as daylight: dissatisfaction and ill feelings among employees.

[Answer] That is true; such shortcomings do exist in some enterprises. They must be eradicated as fast as possible so that accrued wages created by the team in the enterprise are really used for rewards individually differentiated according to merit; this applies for foremen just as well.

In contradiction to this important objective, however, in some instances the bonus indicator was declared fulfilled although it had not been specified for that particular period. Technicians and economists are occasionally incorrectly classified.

[Question] And foremen?

[Answer] Foremen working in demanding production sectors are upscaled one grade. The system of two rating categories applies to all grades of foremen; those with an excellent record over an extended period and with necessary skills and training may get a higher rating. Moreover, foremen may be granted up to 30 percent higher personal compensation according to their outputs and from grade 11 up as much as 60 percent for unusually successful achievements. Overall evaluation of their record may increase, reduce or cancel their personal compensation for the next term according to merit. Furthermore, pursuant to criteria specified in advance, they may be granted bonuses and premiums whose amounts are not restricted for individuals by wage regulations.

[Question] Well, then, what in your opinion is lacking in our enterprises and plants?

[Answer] Most often it is the courage to differentiate [the wages] and to defend such differentiation before the team in an objective manner. Naturally, it is not merely a matter of courage but also one of the fundamental duties of the manager in charge. No pussyfooting around this duty or disregard for differentiation of wages according to merit can help; those are serious shortcomings in the work of the management. This again is the cause of the ill feelings I have mentioned before.

[Question] It does not help, but unfortunately it does happen, because the director in charge or the general director or even the foreman tolerates such shortcomings, probably because supervision from above and from below is sluggish and responsibility for dereliction of duties is not adequately enforced regardless of the office and position of the person in question. But let us go on. Many views expressed on the pages of our supplement allege that our best workers refuse to commit themselves to the job of foreman because they earn better wages as workers than they would as foremen.

[Answer] Of course, there may be some instances where a worker earns higher wages than his foreman, but that is not a general rule in every branch of our national economy, but rather an exception in certain sectors, for example, in production units using the most sophisticated technology and in facilities

with higher bonuses where workers with the highest skills get the highest professional ratings. Thus, it is not always possible to insist that the principle of higher earnings for foremen be mechanically observed.

[Question] Would it not be better to assign foremen to a higher grade so as to avoid such cases completely?

[Answer] Stage II of ZEUMS offers this opportunity on the basis of the foreman's level of qualification and labor record; nevertheless, the cases of which we spoke cannot be completely eliminated. As I said, this concerns workers with top achievements and consequently with high wage allotments. The problem is caused more probably by the fact that as compared with their subordinates, the foremen's earnings are based on the workers' inferior performance standards which do not take into consideration new conditions in industry, or which are affected by unnecessary overtimes and incorrect implementation of wage standards.

[Question] Another potential cause why foremen earn lower wages may be that they do not avail themselves of the advantages provided by the wage system in force and more categories of management than generally supposed.

[Answer] The accepted progression is as follows: the foreman--the chief foreman--the manager of operations--the manager of the plant. Disproportions may also be caused by awards of bonuses; as a rule, foremen are rewarded for overall performance of the organizational unit under their supervision. On the whole, such performance may be below the stipulated plan. On the other hand, the worker is rewarded only for partial achievement, which may be better than stipulated.

Since supplier-consumer relations are frequently very complicated and consequently impose enormous demands on the foremen's organizational work, it happens here and there that in sectors which have failed to meet their planned tasks this may be reflected more in the foremen's bonuses than in workers' bonuses. And finally--in many cases some foremen do not merit higher wages because of their performance.

[Question] Tell me, have you created conditions for fair rewards which successful foremen deserve for their real achievements, or are such conditions lacking?

[Answer] I can advisedly state that such conditions exist, but they must be used to the best advantage. The key to the solution lies in the hands of the enterprises and plants. They must put their system of rewards to foremen in order and enforce scrupulously in labor process the principle of pay according to merit, as emphasized by the 17th CPCZ Congress. It is important not only to understand those measures correctly but also to implement them properly.

[Question] We may be at the heart of the matter, but what if these measures are correctly understood but incorrectly applied?

[Answer] There is no other way but to make all persons responsible for that fully answerable. I see no other alternative. To lament that there is no money for higher wages to employees is in fact an expression of incompetence or unwillingness to organize work so as to achieve better results and thus to earn more funds for rewards, because accrued wages are what the enterprise, plant or organization has created and, naturally, what it can distribute.

In this respect it is precisely the function of the controls to make better and more efficient use of the party and trade-union agencies and organizations.

[Question] However, the view has spread that one can rely only on planned wage increases. Everybody would like to make more money, even foremen.

[Answer] We are aware of that and consider it natural. However, increases must be in line with the work performed; therefore, we have no other alternative but to mobilize our internal resources, all unused capacities--which are not small--for a more rapid growth of wages and for more distinctive differentiation of rewards, particularly by means of better labor productivity and better quality of products.

[J. Lipavsky] Thank you for the interview.

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CSO: 2400/394

ECONOMY

CZECHOSLOVAKIA

FOREMEN INDICATE THEIR PROFESSION MAY BECOME EXTINCT

Prague RUDE PRAVO in Czech 15 Aug 86 p 3

[Interview with foremen of Kovosvit in Holoubkov, Frantisek Cermak, Ivo Fuka, Eduard Zikmund, and chief labor economist Jaromir Tuma, by Vaclav Marek:
"Occupation Doomed to Extinction?--What Foremen Tell About Themselves"]

[Text] This year the Kovosvit plant in Holoubkov is meeting its plan with the greatest difficulties. Every review stresses that its management--the plant's director, his deputies as well as foremen--should be improved. Everything points to the fact that precisely they are one of the weakest links in the management. Problems related to foremen have been a topic of discussion for many years, though so far without any significant results. What can be done to change the status of foremen in industry? We discussed this question with the foremen from the above-mentioned plant, Frantisek Cermak, Ivo Fuka and Eduard Zikmund, and the plant's chief labor economist, Jaromir Tuma.

[Question] What is the primary issue in the dispute about foremen?

[F. Cermak] Foremen are rightfully blamed for having failed to carry out their duties--in other words, for poor organization of their teams' work. On the other hand, in their turn the foremen complain that they cannot fulfill their obligations because at the same time they must perform tasks above and beyond their duties. They do the work of dispatchers rather than that of foremen. They are far from satisfied with their standing in industry and their social and material rating.

[E. Zikmund] The most efficient workers in industry should become foremen, but the situation at present is such that only a tiny percentage of foremen have the required skills. Simply anybody gets hired.

[Question] Why can we not be selective?

[Ivo Fuka] Mostly due to financial considerations. What bothers me most, however, is the fact that a foreman has become more or less a flunky. He has no time for the things he should be doing.

[Question] How much do you earn?

[F. Cermak] Our earnings are not small. Our gross wages are in the range of Kcs 3,300 to 3,800, but their total amount does not reflect the rates. A skilled worker who should be made foreman often makes up to Kcs 1,000 more. If he becomes a foreman, it means a financial demotion for him rather than promotion.

[J. Tuma] It seems that only graduates fresh out of high school may be interested in becoming foremen for financial reasons. We let them work briefly as planners and then promote them right away to foremen. But that solves nothing. Those who are not sufficiently familiar with production, who have not mastered their trade and who cannot offer advice to their subordinates will never be respected by others as foremen and will be regarded as mere apprentices without authority, no matter what rank we assign them.

[Question] Why can foremen not earn more? Is it because of wage regulations?

[E. Zikmund] According to the regulations in force we could be earning higher wages. For instance, if we would reach the maximum approved level of personal compensation, acceptable relations vis-a-vis the workers in production would be maintained, but we are below those limits. I do not see any problem in the regulations.

[F. Cermak] There were times when the wages of the workers and of the foremen were more or less balanced; then it was no problem to select foremen, but now the wages in workers' trades are being raised 3 percent annually. Last year my wage increase amounted to Kcs 10.

[K. Fuka] In my case the maximum personal compensation stipulated by the regulations equals Kcs 600, but all I get is Kcs 200. Most foremen find themselves about midway to their full potential. Nonetheless, I can see the problem in wage regulations. If we could go as high as the stipulated range allows, it would mean substantial raises for the foremen at this time, but foremen's wages would still lag behind the incomes of the most skilled workers and thus we would not be able to persuade the best workers to take foremen's jobs.

[Question] It is difficult to discuss the limits of wage regulations if you still are not earning even what the regulations in force entitle you to get. Why is it so?

[J. Tuma] Our plant has no accrued wages to raise the pay to the foremen. Much was expected from Stage II of the ZEUMS [Increase of Wage System Efficiency] which will begin on 1 November, but that is not the end of foremen's problems, unless we obtain additional accrued wages; other technical and economic employees--planners, standardizers--have the same problems with their wages. In fact, foremen have the advantage of earning about 4 percent more than they.

[Question] No subsidies can be expected. You are supposed to allocate the resources you have earned for yourselves. However, it was mentioned here that the largest part of wage increases is spent for workers' wages. Can there not be some other quotas?

[J. Tuma] It is a fact that in a way we are bribing the workers. Most workers have reached the upper limits of their allowed potential wages. But we cannot fulfill the plan in production without workers, although we can fulfill the plan in production without workers, although we can fulfill it even if the foreman is incompetent.

[Question] What is more difficult, to find a worker or a foreman for production?

[F. Cermak] I would say, a foreman.

[Question] Would it not be more appropriate to review the categories of individual trades and to allocate whatever resources are available for distribution according to their importance for the plant? You have been able to meet your plan thus far, but you make no secret about the fact that it was done at exceedingly high cost precisely because of the foremen.

[J. Tuma] It is true that there are many reasons why some changes in job categories should be considered. If we would base the scale on the amount of wages, then even the plant's director and his deputies would not reach the top. However, it is easy to speculate about changing the categories, but it is more difficult to implement them. There are certain traditions; whenever they are defied, notices of resignation immediately follow. And there is another reason: only by overfulfilling its plan can the plant earn funds for higher wages. Since technology remains the same, the workers must increase their output. After all, we must pay them.

[Question] Does the intensity of foremen's work change with an upgraded plan?

[J. Tuma] Indeed it does, very substantially so.

[Question] Do foremen earn more for higher output?

[J. Tuma] Almost nothing. However, I can see another solution. We said that outputs increase with the fulfillment of a higher plan. The question is whether such increases are justified. For example, in the fourth quarter of 1985 we spent Kcs 80,000 for overtime. But were those overtimes really necessary? Would not better organization of production enable us to get everything done without overtimes? If we could save on overtimes, a lot of money would be available for rewards to foremen. However, foremen set the standard of management and labor organization and thus, in fact, they can earn their wages. But we are not making the best of that opportunity. The foremen may order differences in bonuses amounting up to 50 percent, yet few of them have the courage to do so. There again we are losing money.

[Question] The problem of compensation to foremen is not a matter of wage regulations but rather of the plant's practice, which may be influenced by the foremen themselves, mainly by their organization of their subordinates work. Why are you not taking advantage of that possibility?

[I. Fuka] We are not without blame. It often happens that a worker comes to me to complain that he got inferior material and broke four drill bits, so he asks me to approve 2 hours' overtime for him. How can I judge his request? If I could do my duty--which is to supervise the work and monitor the compliance with the standards--I would know what to do, but instead, I am trying to locate sources of supplies, driving a two-seater truck, operating a crane or a combine, just to keep the shop running. So I sign those 2 hours of overtime for him because I have no time to investigate whether the overtime is warranted.

[F. Cermak] In our assembly we have no such problems. We have a very well prepared khozraschet, one worker helps another, the workers monitor each other.

[Question] That may be a solution for other plants. After all, the foreman's job would be substantially easier if standards were high and khozraschet were perfect.

[E. Zikmund] In my opinion, standards, even after their objectivization, are not accurate. Some jobs are still more lucrative and others less profitable. In fact, it is not possible to set standards according to work norms that are 20 years old and even older.

[J. Tuma] Unplanned orders throw the production into great confusion. A person simply appears in our plant and asks us to do this or that, and he wants it right away. We accommodate him because some day we may need something from him. That is a fact of life and one should have no illusions about it. It may be true that a principle stipulates a standard first be set for such an order and until that is done there can be no payment, but there is the rub--in our plant we do not have enough standardizers.

[I. Fuka] We are blamed for not being consistent in our management. It is true that we often accept various compromises, but just tell me, how can a foreman be consistent--let us say, exactly with rewards--if even on Easter Monday people are called and begged to come to work so that we can catch up with the plan?

[Question] That also could be a matter of personal courage.

[I. Fuka] We'll never have any discipline if we expect that we shall have it when our foremen realize that discipline is essential. It cannot be a matter of good will alone--that must be demanded from all. Meanwhile we are waging our struggle for discipline much too cautiously, we do not tackle it head on. I may be blamed if I approve those two hours overtime I mentioned before, even though I am not absolutely certain that it is warranted, but if I do not sign the slip, tomorrow I'll have a notice from the worker because in another plant, enterprise or shop his request will be honored. How is it possible that shirkers can still find places where to turn?

[E. Zikmund] Recently we held a work conference for managers at which poor labor discipline was blasted. But right under the windows of our meeting hall people were rushing merrily to the gate before the end of their workday. In fact, so far people have been talking about discipline far more than trying to achieve it, and that is another thing for which foremen are to blame.

[F. Cermak] We worry entirely too much that someone may or may not quit and then how would we be able to meet our plan; if we were less squeamish about such confrontations, the shirkers might leave, but I am sure that the discipline in our plant would attract many others because those who are willing to do their job would earn good wages in a place where fairness rather than gall prevails.

[Question] You all agree that there is no time to be consistent and that you cannot check and investigate everything. Can anything be done along these lines?

[J. Tuma] The consequences of poor supplier-consumer relations are hardly worth discussing. Unfortunately, little has changed in the foreman's status. Capacity calculations are still done by hand one month in advance. Thus, they are not real calculations but a horoscope because they do not reflect changes that occur in the course of the month--and some changes take place almost every day. At the same time we have to include nearly 45,000 various items in the calculations in the plant.

[F. Cermak] Assembly works have been going downhill lately. Even team interests are not of much help if there is no accurate survey of what needs to be done immediately and what can be done later. The foreman today lacks that knowledge. Someone should start thinking that in this era of technological revolution new conditions must be created for the work of foremen as well.

[J. Tuma] Some changes are already under consideration. It is expected that computers will be introduced, which would help the foremen, but that is an exceedingly long process. We are not supposed to get our first computer until the Ninth 5-Year Plan.

When that information was mentioned, it seemed that the participants in our discussion are looking forward to the Ninth 5-Year Plan as the solution to the problems of foremen. But why wait for so long? After all, it is no mystery. Everybody knows what to do. From our discussion it followed that in effect most shortcomings stem only from timidity to change accepted traditions and to have to face conflicts.

CSO: 2400/394

ECONOMY

GERMAN DEMOCRATIC REPUBLIC

STATISTICS, PENALTIES FOR TRAFFIC ACCIDENTS CITED

East Berlin DDR-VERKEHR in German No 7, Jul 86 (signed to press 26 May 86)
pp 206-209

[Article by Joerg Gurbicz, Ministry for Transportation, Legal Section; and Dr Rolf Schroeder, chairman, Supreme Court of the GDR, Third Criminal Panel: "Further Increase of Order and Safety in Vehicular Traffic--Evaluation of the 12th Plenary Session of the Supreme Court"]

[Text] The tasks for the traffic system due to the economic and social policy go hand in hand with the high demands for order and safety in shipping, transport, and transshipment processes. Order, discipline, and safety in road, rail, air traffic, and navigation, as becomes clear time and time again, are indispensable prerequisites for protecting the citizens' life and health more effectively still from dangers, avoiding economic losses because of traffic accidents, and meeting the high demands in freight and passenger transportation.

Ensuring order and safety in vehicular traffic thus is of overall social concern and of far-reaching general interest.

Coping with the tasks in the new phase of the economic strategy, apart from the measures for trimming specific transport expenditures, calls for a large improvement of the efficiency and effectiveness of transportation, especially for the railroad and for inland navigation.

The tasks placed on the traffic system of

- further improving the quality and reliability of passenger transport at a high energy economy,
- more integration of production and transport to trim specific transport costs,
- the rational handling of freights, especially through the railroad and inland navigation,
- transport and transshipment to ensure foreign trade and the export of services,
- a still better management of the processes of complex transport rationalization

can achieve their full effectiveness only if we manage to keep all processes by and large without interference, at high technical and technological order and safety, and through our working people's conscious and disciplined efforts. Each duty violation, disturbance, and accident has a negative effect on the fulfilment of the passenger transportation tasks and the freight transports and transshipments and normally causes economic losses and dislocations.

For these reasons the performance improvement ahead, relying on the unity of economics, law, order, and safety, must be linked with further measures and concrete conclusions relative to still more effectively increasing order, discipline, and safety.

The 12th plenary session of the GDR supreme court on 23 October 1985 dealt with that matter. The plenary session was devoted to the topic of "court jurisdiction in cases relative to vehicular traffic and transportation." The report of the presidium was passed unanimously.

The plenary report provided the courts, in conformity with the higher and new demands placed on vehicular traffic and transportation in the GDR, with clear guidelines for further improving order, discipline, and safety in vehicular traffic and transportation. They at the same time provide the railroad and the combines, enterprises, and institutions in the traffic system with better guidelines for dealing with their work.

Most traffic violations are committed in road traffic (individual traffic, public transportation and commuting). The road traffic situation is marked by --the traffic density in the cities, industrial sprawls, and recreational centers increasing. Outside of populated centers, on the other hand, it is marked by a dwindling proportion of motor vehicle transport because of the shifting of freights from the roads to rail and waterways; --more frequent congestion at junctures, especially at peak periods in commuting and in vacation and excursion traffic; --parking being limited in city centers and other sprawls; and --street crossing becoming more risky for children and senior and disabled citizens.

There were 47,160 traffic accidents on the roads of the GDR in 1984. There were 1,611 fatalities and 41,404 injured. The main causes for street accidents continue to be:

- inordinate speeds,
- refusing the right of way,
- unauthorized crossing or entering of the roadway,
- driving under the influence of alcohol,
- improper passing, and
- insufficient safety distances.

The number of violations in the railway sector is small. But their effects on the life and health of the people and their economic consequences usually are great.

For these reasons the plenum mainly dealt with road traffic and the railroad. Even though the report makes no special mention of it, this also sets criteria for reacting to violations committed in the air and in inland and ocean transport.

The presidium of the Supreme Court had dealt before, in particular, with street traffic problems in its 15 March 1978 resolution on jurisdiction in traffic violations (Footnote 1) (Cf. NEUE JUSTIZ, No 5, 1978, p 229) and contributed essentially through clear guidelines to a uniform, consistent and yet differentiated administration of law.

The 1978 presidial resolution basically continues to provide important and correct criteria. Farther reaching guidelines were necessary because some questions, resulting from the development and based on new insights, call for new and different answers. That pertains above all to the following sets of problems:

1. Interpretation of the Evidential Criterion of "significant real values" as to Article 196 Paragraph 1 in the Penal Code

The presidial report to the 12th plenary session explains this evidential criterion by stating that it is offense-specific evidence precluding comparisons with the facts in economic litigation. As examples real values are being referred to, such as means of transportation for freight transports and passenger transportation, cargo, traffic installations, and residential and industrial structures, irrespective of their forms of ownership, and it is being stated that such real values are significant in terms of Article 196 Paragraph 1 in the Penal Code as a rule only when the material damage adds up to some M 100,000. To avoid being trapped by a rigid value ceiling for practical purposes, deviations in both directions are being authorized, in damage suits involving less than M 100,000 when the damage or destruction of real values has had considerable economic effects. They might, e.g., amount to very large economic outlays for newly acquiring special means of transportation, or the destroyed cargo might be important machine parts from an ancillary enterprise where the destruction prevents the proper scheduled completion of an export obligation. A deviation in the other direction might mean that even though the material damage exceeded M 100,000 it might not involve significant real values in terms of the facts of the case. An example would be several automobiles each of which would cost much less than M 100,000. Nor will all damage exceeding M 100,000 in the railroad sector necessarily be significant in terms of the law.

The offender is liable for all the damage causally relating to the violations of his legal obligations.

The amount of damage may be computed according to

- the damage caused the means of transportation or the cargo,
- the damage of several vehicles or trailers directly involved in the traffic accident, or
- the damage inflicted in connection with the accident on traffic installations of buildings.

The damage of M 100,000 hence may result from the addition of damages to various vehicles and/or their cargo. The important point is that such damages must be causally linked with the duty violation of the offender. The causal connection between duty violation and material damage sets the ceiling for computing damages, and not the circumstance that the value ceiling might result only from the sum of the added damages to the vehicle, the cargo, and the traffic installation.

Only relative to damage caused culpably, wholly or in part, is the offender subject to penal consequences, but not due to further negative effects caused exclusively by the conduct of others.

If damages to vehicles, freight, or traffic installations (e.g. tracks, safety equipment) are to be taken care of through repair so that they can again be used properly, the total of the legally relevant damage is computed in terms of what it will cost to eliminate the damage. Charges tantamount to "new acquisition" may not be placed on the offending party.

2. Interpretation of the Evidential Criterion of "considerable damage to the health of some other person" as to Article 196 Paragraph 1 in the Penal Code

An analysis by medical experts of injuries to health relative to rulings based on Article 196 of the Penal Code led to a modification of the criteria for considerable damage to the health of some other person. In fact, three groups of criteria were set up.

The first one includes injuries that amount to considerable damage to health. Their being certified through the "medical certification on accident-caused injuries during a traffic accident" normally satisfy the courts that have to assess the degree of severity in health damage cases.

The second group lists injuries which do not rate as considerable damage to health in terms of Article 196 of the Penal Code. They are

- local or general pain and movement limitations without fractures or nerve or vascular injuries,
- superficial abdominal injuries,
- superficial skin injuries,
- nasal bone, collar-bone, or finger fractures without or with only slight bone dislocations,
- closed fractures of specific ribs,
- uncomplicated sternum fractures,
- spraining of body parts,
- slight bruises,
- burns 1st and 2nd grade up to 10 percent of the body surface,
- loosening or shifting of teeth, irreparability or fracture of some teeth.

When there are a number of trivial injuries, considerable damage to the health in terms of Article 196 of the Penal Code may be in evidence if it has led to more extensive health complications. Whether that is so is to be ascertained by a medical judgment.

The third group deals with borderline cases. They are

- deep or extensive injuries of the outer or inner layers of the skin,
- 2nd degree burns of between 11 and 20 percent of the body surface,
- fainting up to 15 minutes without neurological symptoms,
- facial skull fractures without bone dislocations and necessary medical treatment,
- multiple closed rib fractures.

In such cases a medical opinion must be obtained for judging an injury as considerable damage to health. Though an illness may be medically attested to have lasted at least 4 weeks it is as a rule no sure criterion for there being considerable damage to health, as considerable damage may be eliminated much faster and trivial injuries for subjective reasons may keep a person from going back to work over a longer period of time.

3. Interpretation of the Evidential Criterion for "considerable effects on driving ability because of the consumption of alcoholic beverages" as of Article 200 in the Penal Code

In jurisdiction thus far one unanimously assumed that with a blood alcohol concentration (BAK) of at least 1 milligram per gram the driving ability of any driver was severely hampered, thus creating criminal prosecution relevance.

Practical experience and analytical surveys make plain that it must be assumed that persons bearing special responsibilities for ensuring traffic safety and, accordingly, under special obligations, through errors in what they do because they are under the influence of alcohol may bring about, in particular, very dangerous consequences.

That applies to persons who, under conditions of incessant concentration and the need for permanent attention, while traffic conditions constantly change, have to make decisions under his own responsibility of such a kind that in case an error is committed one cannot preclude the real chance of an instance of heavy "Havarie" (Footnote 2) (The term of "heavy Havarie" designates "significant events" in terms of the statistical processing of damage-causing events in the traffic system) while one cannot depend on others correcting the erroneous decision.

As soon as such persons in consequence of their in-take of alcohol, oblivious to their duties, surrender their obligation to secure human lives and real values, legal prosecution must start.

According to medical science data and practical experience, the safety requirements for the activities referred to can no longer be met at a blood alcohol concentration as of 0.8 mg/g. The risk of getting involved in an accident, regardless of one's age, sex, family status, degree of education, trade, driving experience, and drinking habits, is already twice as high at a BAK of 0.6 mg/g as at 0.0 mg/g. At 1.0 mg/g it is 6 to 7 times as high, at 1.5 mg/g, 25 times. Moreover, the relative likelihood at a BAK of 0.8 mg/g for "solitary accidents" is already twice as high as that which would involve several vehicles. Starting at 0.5 mg/g BAK a person's entire perception gets cut down, and it gets even worse when the blood alcohol content rises. A driver can no longer cope with the complicated observation and the evaluation of various external processes the brain has to take care of, such as reading traffic signs and the traffic situation while concentrating on one or several moving objects. For these reasons one has to assume that persons with special responsibilities as drivers or for ensuring traffic safety are considerably impaired in the terms of the law beginning at 0.8 mg/g when they drive a vehicle or exercise, by trade, an activity in directly ensuring traffic safety (Article 200 Paragraph 2 Penal Code).

4. Obligation "proving oneself on the job" and "probationary stay" (Articles 33 and 34 Penal Code)

A mandatory probation at a person's place of work in connection with a probationary sentence (as well as probationary stay) is indicated when collective supervision is imperative and there are reasonable indications that the offender would want to evade them.

The new point made about this is that such liabilities may relate only to sectors and activities within the traffic system that bear no direct responsibility for ensuring traffic and transportation safety and are not accountable for any absolute reliability of conduct. The additional point made was that the courts have to pronounce this judgment with the qualifier that such a person will be assigned a job in the plant in which he works, so that the enterprise has the chance to select a job that will meet with these conditions.

The courts will then pronounce the commitment that the offender is under the obligation not to change the job he will be getting assigned in the enterprise in which he works. At the same time the offender is bound to implement the labor law measures set down by the enterprise within the scope of assigning a different job.

5. Sequestration of Permits and Job Restriction (Articles 55 and 53 Penal Code)

Permits, authorizations, licenses and qualification attestations granted as operational certifications by the combines and enterprises are not in principle sequestered by the courts. When it is a matter of official permits, authorizations, licenses and qualification attestations, courts may pronounce sequestration depending on the degree of severity in the offense and the normal attitude the offender has taken toward his service obligations and the requirements on ensuring high traffic safety, after having duly examined the circumstances.

Pronouncing job restriction is a court decision not related to disciplinary measures taken by the combines and enterprises.

Job restriction should only be pronounced by the courts against offenders who are under special obligations to ensure the safety in driving vehicles or direct traffic and who

- caused extraordinary consequences while being highly implicated or
- committed the offense under the influence of alcohol or
- have already a criminal record involving the same kind of conduct.

When investigative proceedings indicate the chance or need of deciding on sequestration or job restriction, the courts are advised to summon the supervisor of the accused to testify on behalf of his place of work.

6. Penal Evaluation of Objective and Subjective Conditions

When the severity of risks and accidents is investigated one always has to check

- whether the offender in the concrete situation was able, through responsible action, to prevent the consequences that occurred and
- which causes and facilitating conditions precipitated the erroneous actions.

So one has to discriminate in evaluating whether the offender himself was at fault, physically, in going on duty, culpably, without being sufficiently rested or if, e.g., excessive demands made on him in the traffic situation while on duty affected him. There are situations that may overtax the person responsible. So he may have been unable to do what he was obliged to do while realizing what the demands were and although he was functioning and operational, the situation bringing it about. This includes technical, technological, traffic organizational, and environmental factors which normally have a quality of suddenness,

such as realizing one has received misleading information or poorly legible signals or traffic signs, a sudden high beam or unexpected smoke-screens or obstacles. Along with such objective instances, unexpected sudden anxiety (dread, e.g.) may lead to such unblameable failure.

It may also be the case that the offender was unable to react as was his duty to react because of permanent personal performance deficiencies he did not clearly know himself. For such an instance of being overtaxed one has to obtain a traffic medical-psychological opinion.

7. Differentiated Penalties for Traffic Offenses

The courts have to see to it that a penalty that fits the severity of the traffic offense contributes to high traffic and law safety, to enforcing order and discipline in transportation.

The administration of penalties for traffic violations is more or less stable and well balanced. Yet one still has to react in a more differentiated and effective manner to the law violations that lead to the accidents and to the damage and jeopardy caused thereby.

Persons who cause traffic violations through especially irresponsible, aggressive and rude conduct emphatically must be brought to account (cf. Supreme Court sentence of 8 January 1982--1 OSK 7/81--NEUE JUSTIZ 1982, No 3, p 141).

Those who cause heavy accidents or endangerments because of an alcohol intake must get heavy penalties (Supreme Court sentence of 11 December 1980--3 OSK 27/80--NEUE JUSTIZ 1981, No 5, p 238). Apart from reasons for heavier sentences as of Article 196 Paragraph 3 in the Penal Code, for violations in terms of Article 196 Paragraphs 1 and 3 of the Penal Code a prison sentence may be called for when the degree of the offender's guilt is very high (such as a pertinent criminal record, driving an unsafe vehicle, with brakes that do not function properly) and serious consequences were caused.

The practice of mainly levying fines for first offenders in cases relative to Article 200 in the Penal Code has turned out to be effective.

In setting fines one must make sure that they in principle will exceed the ceiling for disciplinary fines as of Article 47 Paragraph 3 Letter b in the Penal Code, so that, within that framework, the severity of the offense can better and more appropriately be differentiated.

A prison sentence is indicated when an offender has learned nothing from his relevant criminal record and the degree of endangerment is considerable. Even a first offender may be put in jail if the damage he has caused is extraordinary.

Public Efforts to Enhance Traffic Safety

The plenary session also issued concrete guidelines for effective publicity to improve traffic safety. According to them publicity must be aimed mainly at --informing all who take part in traffic of what they should know and promoting their know-how and proper traffic behavior,

--instructing the public about the resolute prosecution of traffic offenses in connection with the influence of alcohol, speeding, risky gap jumping, the contempt for special caution toward children and senior citizens and other rude modes of conduct, as well as about the most frequent accident causes,
--vividly presenting the personal, social, and economic implications of traffic accidents and the causes for decisive misconduct,
--conveying to parents, pedagogues, educators and all adults concrete suggestions for exercising their responsibility toward children and adolescents with respect to vehicular traffic, and
--paying tribute to the activities of all social forces and traffic safety collectives and to the model roles played by responsible, disciplined, attentive, and helpful drivers.

Analysis and Application of the Plenary Session to the Traffic System

The analysis and application of the 12th plenary session of the Supreme Court of the GDR call for extensive and purposeful work within the traffic system toward further enhancing order, discipline, and safety in the traffic system. Preventive work has to be intensified all around. This pertains to the preventive-educational efforts with our working people as well as to gradually creating the material-technical premises for ensuring high order and safety.

The stipulations set down at the plenary session also call for managerial conclusions both in rating and in properly reacting to violations of labor obligations at the German Railroad and in the organs, combines, enterprises, and institutions of the traffic system. It also must be made sure that more yet than before the differentiated chances for court and enterprise influences combine with the purpose of bringing an optimum influence to bear on ensuring order, discipline, and safety in the traffic and transportation system.

So one must highlight the groups of employment groups for which an absolute reliability of conduct is presupposed, especially to ensure safety in transport and shipping processes, in ensuring a high effectiveness of the stipulations for the railroad and the organs, combines, enterprises, and institutions of the traffic system in connection with the obligation of proving oneself on the job and the probationary stay. Every manager has to know the employment groups and jobs in his sphere of responsibility to which offenders in the sense here used may not be assigned. That alone can assure coordinated effective reactions by the courts and the economic units of the traffic system to educationally influencing the offenders and, at once, preventing recidivism of heavy duty violations by the same persons at jobs highly responsible for ensuring traffic safety.

Central measures are in preparation for it right now. In particular, the task also has been assigned to intensify the cooperation among the economic units in the traffic system and the courts in preventive work as well as in uncovering criminal causes and conditions and in analyzing criminal proceedings.

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CSO: 2300/548

ECONOMY

HUNGARY

PROFIL EXAMINES HUNGARIAN REALITY: HOW IT WORKS

Mixed Society, Economy

Vienna PROFIL in German 21 Jul 86 pp 32-36

[Article by Walter Schwarz: "'Mulatság' (Good Times) and Marx"]

[Text] Marco, the hunting dog, takes a quick sniff of the Western guest's trouser leg and then returns to his place on the massive leather sofa. The sizable living room has lots of baroque furniture in it and the terrace affords a fairly exquisite view of Budapest. The marble floor is from Romania, paid for in dollars; the kitchen and bath are Italian-made.

The hostess is pouring cups of Columbia brand coffee which the host has brought back from one of his numerous trips to Austria. He bought the coffee at Vienna's South Shopping City, he says. The villa on Budapest's Rose Hill has a living area of 212 square meters --not easy to overlook even in such a fancy neighborhood.

Our host--let us call him B. I. (although his business card says "von B.") --tells us that he, being a builder and interior decorator, put up his house last year on his own at a cost of 7 million forints (\$140,000) and that he could sell it today for 11 million (\$220,000). "There are 10,000 Hungarians who could pay the 11 million forints at the drop of a hat," he says: boutique owners, sports figures, people like that.

Let me interrupt here to remind the reader of the official exchange rate of 2.81 forints per schilling--and let me also mention that a Hungarian working man earns about 5,000 forints per month on the average.

Hungary 1986: money is a subject that can be talked about and so can profits, profit margins, performance and all the rest.

Hungary 1986: almost 30 years have passed since the 1956 uprising. In the fall, the media will be full of reminiscences. The time since the advent of Gorbachev is short--and the time since Chernobyl is zero.

Hungary 1986: if you approach it from the west, it looks like a continuation of the Burgenland more or less. In the villages, they spruce up their houses on their own time but things are a bit more rustic. The

villages east of Pamhagen have a genuinely neat look about them--no plastic roofing here and no sealed glass windows. It is pretty country; the geese are honking.

Hungary 1986: if you come from the east, from the land of the oddball dictator N Ceausescu, with a worn suitcase and some cardboard boxes in your hand, you think you have lost your way and have already reached the West.

Hungary 1986: if you come from the north, there are travel restrictions. According to new regulations from Prague, not every Czechoslovak may go to the fraternal socialist country of the Magyars whenever he feels like it--because things seem a bit too lax there for comfort.

Hungary 1986: if you come from the south, it does not really make that much of a difference. In Yugoslavia, the rate of inflation is 80 percent; in Hungary, it is 7 percent. There are no restrictions on entering the country.

Hungary 1986: There are shades of Paris along the boulevards of the two-million metropolis of Budapest with the neon lights outshining the Red Stars. In the coffee houses, there are shades of Vienna--only a bit more elegant and the waiters are friendlier. With a clear eye to the future, investments are made in the past which is being refurbished and restored.

Owners of boutiques, doctors, lawyers and successful businessmen are making lots of money. In the high-priced neighborhoods they flaunt their success, complete with Mercedes 200s at the front door.

Mr von B. is building villas for a good many of them; he is doing very well indeed. His life story is a fairly good reflection of Hungary's post-war history. He was down and out, then worked his way up only to fall down once again--but now he has made it to the very top. In 1948, he wrote the thesis for his diploma. That just barely worked out but after that things began to get rough. As someone with a "von" in front of his name and with some family ties to the religio-fascist Horthy era, he was stamped a "class enemy" by the Stalinist Rakosi regime. He worked as a laborer and ultimately as a construction chief at a power plant in eastern Hungary.

Those were indeed Stalinist times. The party had given out the order that a 42-meter high pillar at the power plant had to be finished by Stalin's birthday, 21 December 1951. Mr von B. did a study and came to the conclusion that the target date could not be met. The party said that it had to be met. The pillar, decorated with pictures of Stalin and Lenin, collapsed and fell on a high tension line depriving a large industrial area of electric power. Hundreds of secret police roamed the countryside. There was a suspicion of sabotage. Mr von B. was under indictment for 2 years.

Rakosi left and 1956 rolled around. Mr von B., who had since made himself scarce, survived by working on a farm. In the late fifties, he struck out on his own. He began to draw up plans for houses and started to earn money. On 20 February 1970, he was arrested and jailed for three and one-half years for "business speculation." While in prison, Mr von B. read Stefan Zweig and designed houses for high-ranking prison officials. He also made a promise to himself that once he got out he would no longer make 4,000 forints per month but 40,000--legally.

These very 40,000 forints he now draws every month from the account of his "economic working group" (abbreviated in Hungarian as GMK) which he established a few years ago. He is doing so legally, since Kádár's economic policies are oriented toward the private sector.

There is a twinkle in their eyes when people say that the Hungarian economy is not doing well at all (large foreign debt; excessive prices for Soviet oil imports; Chernobyl has had a disastrous impact on agricultural exports) but the private sector is flourishing. A study by the Institute for Economics and Market Research in Budapest has found that almost two-thirds of the Hungarian labor force is now engaged in the private sector--albeit as a sideline for the most part.

Most people work in agriculture, which numbers 1.7 million family-owned farms. In addition, there are 140,000 small businesses and 10,000 economic working groups which go looking for gaps in the market which the state is unable to fill adequately. What is more, the state-run industrial plants have set up more than 20,000 additional economic working groups (VGMK) which permit no less than 230,000 workers to do work on their own after regular working hours and on weekends.

Hungary 1986: at the very top, there is a thin layer of people who are earning lots and lots of money. In the middle, millions have taken on second and third jobs to be able to enjoy luxuries such as a Trabant, Lada or Skoda automobile or a small weekend place. But down at the bottom, there are several hundred thousand who can no longer keep pace and are dropping to new poverty levels.

Officially, of course, no one will admit to the fact of the new poor because such things simply do not happen in a socialist country--by definition.

Hungary 1986: Anyone without a second job is finished, people say. They work 10, 12 or 14 hours a day to be able to enjoy their little luxuries. In the old days, it was sinful to have money; now, it is an honor to be clever. Arnold Gábor, 40, for example, is a "free" cab driver who drives his Wartburg as a private entrepreneur. He used to drive for the state taxi service. "In those days," he says, "I had to pass money around in so many places just so the car would run that I would just as soon be on my own."

Now he is free and independent and, by his own admission, working "a great deal more" than before--28 days a month, at least 12 hours a day but he has no boss telling him what to do and that makes it worthwhile for him. If he works hard enough, he can earn 10,000 forints a month. By now, there are 2,000 "free" cabs cruising the streets of the Hungarian capital. In all, there are more private cabs now than state-owned ones.

Now for another case history: Zoltan Seboek, 24, a trained cook, recently submitted the winning bid for the state-owned Kacska ("The Duck") Restaurant at 75, Foe utca in Budapest's second district. Under the terms of the agreement, he may now run the restaurant on his own for 5 years. The agreement also stipulates the turnover and in that sense the entire arrangement may turn out to be more profitable for the state than for Seboek himself. But then, he says, he just loves the excitement of being part of the private sector.

Seboek has five people working for him. "In a comparable state-run enterprise," he says, "there would be 20 or more people working; a boss, four deputies, a lot of unnecessary staff." As it is, he is the boss but he does his own shopping, cooking and sometimes even washes dishes when he has to. Often, he will roam the city for an hour in his Lada to get his "own" beer direct from the brewery because deliveries from the state brewery are simply "dismal."

Seboek gives the meat delivery man a 150 forint tip when he brings him filet mignon from the state slaughterhouse twice a week. If he fails to bring the filet, he gets only 100 forints. Hungary 1986: it is a case of live and let live--and a little bribe on the side when necessary.

Being a man with some business sense, Seboek intends to turn a small office inside the restaurant into a take-out shop sometime soon and sell hamburgers to the passersby.

"Hungarians are smart and hard working, if they are able to work independently," says Zoltan Wlassics, an engineer who runs a so-called "candelabra enterprise." His excursion into the private sector began 3 years ago. Wlassics, who works for a state export organization, saw an item on television at the time reporting on plans by the Budapest gas company to dismantle 32 old street lanterns. He offered to refurbish the lanterns in his do-it-yourself workshop. It turned out to be a success and a good business.

He and three others set up a private firm, contributing 5,000 forints each as start-up capital. For 6 months they worked for nothing. Today, the candelabra firm acts as a special supplier of refurbished and restored historic street lights. It is a market leader, exporting its products to Austria, Germany and Switzerland. It has a staff of 21, including 10 white-collar employees. Annual sales amount to 50 million forints with profits of 8 or 9 million forints. Wlassics' employees earn two to three times as much as they would in state-owned enterprises. But they also work longer hours, Wlassics says.

Hungary 1986 means more private sector and less state control. [OeVP party leader] Alois Mock would have to dance the csardas and Alfred Dallinger [Austria's minister for social administration] would get a heart attack.

Let us shift our focus once again: we are sitting in a small wooden bungalow north of Budapest. It is a Polish-designed weekend house surrounded by a vegetable patch. The stuffed peppers taste grand. The owner (we will not mention his name) says that he and his wife belong the "intellectual middle class" which, by his way of figuring, does not include doctors and lawyers.

Now this is what he means by the intellectual middle class: he is in his mid-forties and teaches at a university; his wife is also in her mid-forties and teaches high school. Their 22 year-old daughter attends the university and their younger daughter attends a gymnasium.

He earns 7,500 forints per month, working an 8-hour day. A special assignment, which is part of his university duties, earns him an additional 2,500 forints and a second sideline job with a GMK earns him another 4,000 forints per month on the average. As a physical education teacher, his wife earns 8,000 forints per month and she earns another 6,000 forints by conducting private classes for a small group.

Together, in other words, they earn 28,000 forints a month. They pay 2,600 forints per month for rent of their small state housing project apartment, which includes heat and operating charges. They spend 500 forints a month on their telephone bill. The older daughter attends university in another city and that adds up to 3,000 forints in rent and transportation. The 7 year-old family car, a small Polish Fiat 500 with 100,000 kilometers on it, costs them another 1,000 forints per month.

They spend 1,500 forints a month on back payments for household goods (e.g. a refrigerator, TV and furniture) and an equal amount for extras such as private tuition for their children. Still another 1,500 forints are spent for meals in various institutional cafeterias--because joint meals at home at lunchtime are out in any event. Another 1,000 forints go for dry cleaning, cosmetics and haircuts; 6,000 forints per month for food; 2,000 forints for clothes. A pair of shoes costs 1,000 forint; women's boots cost 2,000 forints and a pair of jeans costs 1,500 forints.

They go on vacation twice a year but they save next to no money. If the small Fiat were to break down in the near future, things would get pretty hairy. Even after Merkur, the state auto sales organization, has issued a number to an individual, there still is a 1 to 2-year wait for delivery of a new Trabant or a plastic Mercedes (popularly called PVC Bomber). Upon application for a number, half the purchase price of the car must be remitted.

There is a 3 to 5-year wait for Skodas and Ladas; good used cars are more expensive than new ones.

Stressful life and "mulatság": hot blood and a heavy heart. In this materialistic Hungarian world which has long since taken on a capitalist cast in everyday life everyone looks out for himself first. Ideology is dead except perhaps in the throwaway party newspapers. The hoary idols are exhumed only on festive occasions when their likenesses are paraded through the streets.

Elemér Hankiss, the director of the Center for the Sociology of Values, one of Hungary's foremost sociologists, puts it all in a nutshell. "The party," he says flatly, "gave up its ideological and cultural hegemony years ago. In actual practice, we now have something like pluralism. In everyday life, Marxist ideology has lost its significance and we now have a large number of subcultures."

Karl Marx, you should see them now. Ideology, Hankiss says, can hardly provide any answers to current problems; the party does not really know what to do. "The party has become very pragmatic," he adds, "but it is hard to work out any programs which might define Hungary's new role in the world economy. There is some hectic activity but there is no answer. The political system has rigidified."

Hungary 1986--a place where one is allowed to speak openly--at least in the studies of the scholars. This, too, is a sign of a comparatively liberal atmosphere.

"Particularly in the area of income distribution the role of the state has been getting smaller," says Balázs Kremér, 29, an assistant at the Institute for Sociology of the Hungarian Academy of Sciences, and notes that the various social groups are drifting apart. The smart nouveaux riches and the leadership elite in government and society find it easy to absorb the 7 percent rate of inflation. People who have second and third jobs are at least able to make up for the loss in real income they have been suffering for years. But two million Hungarians (or one-fifth of the population) are social "losers. 300,000 to 500,000 people, by Kremér's estimate, have real problems and are living in actual poverty.

Alcoholism and high suicide rates are the result of stressful life.

"If people work 60 hours a week," says Kremér, "it is their state of health which suffers most of all. There is a cultural tradition in our country with respect to alcohol. Fatigue is often combatted through the use of alcohol. It is a simple means for society to absolve itself and ignore the plight of the individual. Society is quite ambivalent about the entire subject. There are many doctors who drink; that is accepted. But if, say, a blacksmith drinks on the job, then he is criticized for it. In the United States, people see their psychiatrist; here in Hungary, they take to drink."

Every man is a Margit Island.

After 5 years on the job, Balázs Kremér, the holder of two university diplomas, earns a mere 5,000 forints per month; any skilled craftsman can easily earn twice that much. Kremér's plastic Mercedes is 10 years old. He lives in a small room at his parents' and keeps his books in cardboard boxes. His parents, who are both lawyers, have put 200,000 forints at his disposal which would be just enough, Kremér jokes, to "buy myself a 10 square meter apartment of my own."

Finding a place to live in Hungary, particularly in Budapest, is a separate tale of woe. Even back in the days when the state still had more money to spend it was unable to satisfy even half the need in the seventies. By now, state housing construction has virtually come to a halt. 81 percent of all new apartments are built by the private sector, which is far more than in neighboring capitalist Austria.

Depending on location, an apartment in a Budapest condominium may cost anywhere from 16,000 to 25,000 forint per square meter and sometimes even more. Billions of forints are swallowed up by a veritable jungle of speculation, illegal key money fees, strange rental agreements and lively barter deals.

Officially, there are not supposed to be any real estate agents in a socialist country but in fact less than a dozen smart lawyers run a large segment of the Budapest real estate business via "consultancies." Older rental apartments are sold for half the cost of a condominium. A 40-square meter apartment in a poor neighborhood will fetch as much as 200,00 forints; but the monthly rent will only be 200 forints.

But there are other ways of getting an apartment, too. A one and one-half room apartment can be had without payment of key money for a healthy 6,000 forints--which comes to more than an average monthly salary. A furnished room may cost anywhere from 2,000 to 3,000 forints. Which means that young people may get married but that they will continue to live with their parents. According to official statistics, there are more than three persons living in each Budapest apartment.

As we shift our focus again, we look in on an old apartment building at 3, Komjady utca. It was built in 1907 and has seen better days; now it is old and dingy. In the ground floor apartment next to the entrance-way aid packages are piled high. "By Western standards, we are something like an unconventional Salvation Army but here it is a little different," says Ottilia Solt, 42, as she nervously lights another cigarette. The "unconventional Salvation Army's" name is SZETA (or Fund in Support of the Poor). It acts as an informal "group of people," Solt says, in order not to provide the authorities with any legal grounds for complaint. The private SZETA organization provides assistance to

the needy of Hungary, with the grudging consent of the state--a by no means simple undertaking in a nation which takes no official notice of poverty.

SZETA, established in 1979 as part of the Hungarian dissident scene, has thus far provided help to about 1,000 families, mostly in the countryside by sending them articles of clothing, money and furniture. Solt has a file of letters which officially ought not to exist. They are awkwardly written requests for help.

By Solt's estimate, 1.5 million Hungarians are actually living at the poverty level. There is said to be a secret government study which found that 750,000 Hungarians are just getting by on a bare minimum income of 2,500 forints per month; but in reality another 750,000 people would have to be added to that figure who are suffering as a result of excessively high housing costs. Retirees, families with lots of children and unskilled workers are slipping down to the new poverty level. Ms Solt has paid for her commitment to the poor with the loss of her job. Solt, a sociologist by profession, now makes a living by doing odd jobs.

We now shift focus once again--this time to a second floor apartment in a ramshackle building on Aurora utca in Budapest's 8th district. It is a 50 square meter apartment consisting of one and one-half rooms and a kitchen. In the kitchen there is a gas range, a table, two chairs, some plastic flowers, a dull mirror, a sink and a gas meter. This is where the nine members of the Gypsy family K live. The parents and three of the children sleep in the double bed in the larger of the two rooms.

The four bigger children sleep in the smaller of the two rooms. Anna K, 29, tells us that she attended grammar school for 2 years. She can write her own name and is able to read a bit. All seven children were fathered by her husband, she emphasizes. He is a transport worker, earning 3,500 forints per month. All told, they have 8,000 forints each month to live on, including the family assistance payments. Ah, for the life of a Gypsy! She could use a place to send the children away for a summer vacation, says Anna K. Maybe SZETA will provide the necessary help.

There are 400,000 to 500,000 Gypsies living in Hungary. They make up about five percent of the total population. More than one-quarter of a million are considered socially disadvantaged. This, too, is Hungary 1986.

Private Sector

Vienna PROFIL in German 28 Jul 86 pp 42-43

[Article by Walter Schwarz: "At 4 O'Clock, It's Back to Work"]

[Text] János Vad, engineer and managing director of the state-run United Chemical Works in Budapest, has worked things out in his own mind. His office wall is graced by a portrait of Father Lenin and outside, on the factory grounds, he tells me the newest Russian jokes as we take a tour of the assembly sheds.

Question: How did they celebrate the First of May in Kiev ? Answer: The marchers in front were the active members of the party and those in the rear were the radioactive members.

Gorbachev pays Kadar a visit in order to hand him \$1 million. But Kadar gets only one single dollar. The Soviet chief tells him "you already got your six-zero," alluding to the 6:0 defeat the Hungarians suffered at the hands of the Soviet Union in the world soccer championship game.

The Budapest Chemical Works was one of the first Hungarian state enterprises in which the Hungarian economic reforms took hold in 1985. Early last year, the state enterprises began switching to a new management system . Most of the reorganization should be completed by the end of 1986.

According to this reorganization scheme, the ownership rights in large and medium-sized factories employing more than 500 workers are to be assumed by "factory councils" and in smaller plants by "worker general assemblies." The factory councils are composed of representatives of management and the elected delegates of the labor force which has a right to at least half of the maximum of 30 seats on each factory council.

Once again, Hungary's economic planners turn out to be the pioneers of East Bloc reforms. Back in 1968, the first major economic reforms called for "maximization of profits" (rather than the fulfillment of central planning targets) and now the influence of the state and the party is being noticeably curtailed. Representatives of the party, of the labor unions and the party youth organizations may take part in meetings of the factory councils but are not entitled to vote.

The new body has wide-ranging decision-making powers: the managing director of the enterprise is elected by a two-thirds majority but for only 5 years. If he runs again, a job search has to be conducted. The factory councils may also decide on their own (by a two-thirds majority) on joining with or separating from other enterprises and on short-term and medium-term planning goals.

A simple majority is required to decide on investment plans and raising credits as well as on the managing director's performance and his salary and bonuses each year. If a smaller plant is run by a "workers general assembly," all the blue and white collar workers at the plant are members of management. The entire workers assembly elects the managing director and also votes to remove him.

This is what Vad has to say about the factory council to which he belongs but which he may not head: "The people take this more seriously than the members of the board of a Western firm." He himself was elected managing director by secret ballot with 14 out of 16 votes. The council stipulated how the director of the 700-man factory is to run the firm, what the firm's strategy is to be and how profits are to be divided up, i.e. that 80 percent are to go into investments and 20 percent are to be shared by the staff.

The council (and not the ministry as heretofore) set the salary of the managing director János Vad. The factory produces 90,000 tons of organic chemicals each year for industrial and household use with a little more than 10 percent of the output going into exports. The head of Vad's base salary comes to 18,000 forints per month plus an annual bonus depending on profits and the firm's capital assets.

All told, Vad will earn about 350,000 forints this year which is four times the average salary paid by his firm. Vad does not have a company car at his disposal. He uses public transport.

United Chemical Works pays an unskilled worker about 80,000 forints a year; a skilled worker earns one and one-half times as much; university graduates, who make up 10 percent of the staff, earn twice as much. Their salaries are now to be raised to 2.2 to 2.4 times the minimum wage.

Describing the mixed feelings the top managers of his firm had with regard to the new management practices, Vad says: "We had some strong prejudices on the management side. There was confusion, even some opposition." But ever since the mid-level management team got elected to the factory council almost in its entirety, that confusion seems to have dissipated.

But the switch to the new management system did not pass without incident in every instance. At the Csepel Auto Works, the deputy minister for industry (representing the control body) put in an appearance at the election of the managing director and gave a short speech to the factory council. "I know whom you are going to elect," he said. "I have to leave now."

The deputy minister had made a big mistake. The managing director whose name had been put on the ballot was voted down by the 28-member factory council. Only five council members voted for him.

Since 1985, the profit-oriented undertakings of the Red state capitalists have been directed toward the twin goal of keeping the profits inside the business and reducing the influence of the central authorities while intensifying "wage incentives." No less than 20,000 economic working groups (or VGMKs) are currently in operation in the state-run industries, making money. Once the regular workday is over, some 230,000 workers start working in earnest.

At the United Chemical Works in Budapest, for example, 25 VGMKs are in operation. Managing director Vad tells us that 180 members of his staff work in the VGMKs after 4 pm on weekdays and even on weekends, e.g. decontaminating railroad tank cars. "Up to now we could not get people to do the work," Vad says. "Now we have all we need: seven people are cleaning up these cars between 4 pm and 8 pm under the supervision of an engineer."

Working full tilt after hours, the 180 chemical workers earn about 15 million forints a year--which is once again as much as they earn in their "regular job." They earn 20 million forints in profits for the state-owned enterprise. A new class of privileged citizens has thus arisen, i.e. those who earn lots of extra money working for a firm which is part of the so-called "second economy" and jealously trying to see to it that not too many others join their exclusive circle. On the one hand, this serves to increase efficiency but on the other hand it creates new tensions.

"The VGMKs are a temporary solution; that is not acceptable for an extended period of time," says Gyorgy Koevári, a member of the staff of the Institute for Labor Economics at Budapest's Karl Marx University. One day, he believes, these working groups will have become independent groups inside the state-owned enterprises, i.e. small subsidiary enterprises where people work hard not after regular hours but on their regular job.

Even though the "second economy" is flourishing, the overall state of the Hungarian economy is not all that good. The "socialist" sector of the economy still earns almost 95 percent of GNP (two-thirds of that amount is earned by the state-owned enterprises and just under one-quarter by the various cooperatives) and the purely private sector earns just over five percent of GNP. Despite high-flying official plans, the actual GNP went down by one percent in 1985--as did real wages and investments.

The industrial labor force decreased in number and gross farm production dropped about three percent last year. The 1981-1985 five-year plan called for three and one-half to four percent annual growth in industrial production--but actually only one-half of this growth rate was achieved.

What is to be done now? Given their mishmash system of reduced central authority combined with a half-baked market economy, the Hungarians would seem to have no other choice than to stick with their reform policies. In a communist country, it is impossible to generate unemployment (although by unofficial estimate there really is a three percent jobless rate); added indebtedness by raising more Western loans is out of the question. The population would not stomach a marked decline in its standard of living.

The new 1986-1990 five-year plan is a bit more vague, calling for a "consolidation" of the economy during the first 2 years and a rise in domestic consumption during the second stage--provided the consolidation itself has been successful.

One crucial question will be to what an extent the enterprises will be able to take advantage of their new "freedoms." To be sure, the financial system, too, has become more "competition-oriented" as part of the overall economic reforms. The national bank has established a subsidiary which provides loans to small businesses and cooperatives. In addition, a handful of special banking institutions have been created which provide venture capital and funds for the development of new technologies on a profit-oriented basis. A second banking reform calls for the establishment of additional commercial and business banks (particularly to serve small business) by early 1987.

Village Life

Vienna PROFIL in German 4 Aug 86 pp 30-31, 34

[Article by Walter Schwarz: "(The Village of) Homokmégy"]

[Text] The amplified sounds of a lively csardas; juice from the roast meat dripping from diners' lips; beads of perspiration on the faces of dancers. The first glasses are smashed. Bride and bridegroom are kissed for the nth time. Kitchen helpers throwing peppers and onions into the steaming pots of goulash; the cook (the chef of the nearby regional hospital) is busily wielding his ladle.

We are attending a wedding feast at the House of Culture in Homokmégy. There are iron-clad rules for such a feast, i.e. 300 chickens, three pigs, eight sheep and 600 liters of wine for the 300 guests.

Actually, two such feasts take place. Today, on this 5th of July, on a steaming hot Puszta afternoon following on the official wedding ceremony at the town hall, the father of the bride is acting as the host. Next Saturday, following the church wedding, the father of the bridegroom will do the honors.

It seems they do a lot of partying here in Homokmégy. The town council has had a baking oven built just for such occasions despite the fact that the town's budget amounts to a mere nine million forints a year. A privately-owned tableware rental service provides all the necessities. Its opening hours are from 3 pm to 6 pm Mondays through Thursdays; from 10 am to 8 pm on Fridays and from 8 am to 1 pm on Saturdays.

The bride, for that matter, is an ethnic German and the groom is Hungarian. 15 or 20 years ago, the older people in the village say, such a marriage would not have taken place--but even in Homokmégy times do change.

Homokmégy: even the church steeple seems to disappear in the endless expanse of the pepper and sunflower fields in the flatlands between the Danube and Tisza rivers. The village has 2,000 inhabitants; a church, a schoolhouse, a post office. There are movies once a week; there is the House of Culture. The village also has a policeman but he is in his office only on Mondays from 8 am to 10 am. In any event, nothing untoward has ever happened here.

1,000 of the villagers work; 550 of these are commuters; 100 work at the agricultural cooperative; 300 of the women do embroidery at home; 50 villagers have administrative and service sector jobs. Five villagers operate small businesses. There are four free farmers. Two of them never joined the cooperative and the other two have regained their independent status.

Ferenc Matos, 60, one of the farmers who remained free, tells us about history--his own history. In the fifties, while farm collectivization was in full swing, they tried to get him, by any means, using every trick in the book. In the end, he had only one and one-half acres left but still he refused to join the cooperative. "It was an uncertain time," Matos says. "There was no prospect of anything." He tried to leave but the village council would not issue him a work pass. He was told that he could stay where he was and work--for the cooperative, but Matos did not join.

He did odd jobs, carting coal on his horse and wagon. In 1961, the village was "checked over" once more. This time, they even sent "recruiting squads" from Budapest to work on him, Matos says. He called them "Janissaries" [Turkish elite units of the Ottoman Empire], showed them the door and did not join the cooperative.

Gradually, times changed; reform policies went into effect and Matos was at least left alone. Today, he owns more than 10 acres, a vineyard, three head of cattle, two horses and raises 70 hogs each year--and he also has a Wartburg automobile in the barn.

"These days," says Matos' son Attila, 26, "my father certainly is not discriminated against for being a private farmer." Attila Matos should know. Last year he became chairman of the Homokmégy village council (or mayor). Young Matos is an agricultural engineer and one of the youngest mayors in all of Hungary. The mayor's job, which is a full-time occupation, pays him 8,000 forints per month.

It makes no difference whether a cat is black or white; the main thing is it catches mice. That about sums up the down-to-earth philosophy of the two Matoses. They operate their farm jointly. 15 or 20 years ago, say the older villagers, the son of such an obstinate man would never have been able to get the mayor's job.

Up to the mid-seventies, most of them were pretty badly off. Migration to the cities and industrial areas sapped the strength of the village. Between 1960 and 1964 alone, 600 people moved away.

The four agricultural cooperatives operated at a loss. In 1976, they were combined and trimmed of their excess fat. Today, that one remaining cooperative is still in operation. In 1964, 56 students completed their eight years of basic schooling; only eight of them still live in the village.

Margit Ridek, 77, collects a meager monthly pension of 2,350 forints and lives all by herself in her old farmhouse. Her husband died years ago of cancer of the larynx. She still has five chickens "so that I have someone to talk to," she says. She owns a sewing machine and that helps her make a little money, e.g. 300 forints for a dress.

She bore eight children who now live in various parts of Hungary. On the first weekend in October there is a fair in Homokmégy and then they all come home and for 2 days she cooks for them, Ridek says. She always lent a helping hand to everyone in the village; now the people are returning the favor as best they can.

And as best it can, Homokmégy itself survives. Though migration has not ceased, it has slowed down appreciably. People are concerned primarily about the paprika harvest, their house, their car. The social texture is still intact; it has survived the passage of time. As yet, the plastic culture has not overrun the village. Neighbors help each other to build, paint and decorate and all in all the quality of life in the villages is better today than in the cities.

Retired firefighter Lajos Marko, 61, recalls that 18 people helped him build his house 20 years ago. Ever since, he has been repaying them by doing work for them, such as plastering walls.

Józsefné M and Janosné S, two nurses, who work at the regional hospital like the cook at the wedding feast, have leased eight strips of land out in the paprika fields from the cooperative. For farming the land and harvesting they are paid 60,000 to 80,000 forints a year.

Their "official" pay for their shifts at the hospital is between 9,000 and 10,000 forints a month. They have to work hard for 2 years, they say, but then they can afford to take a seaside vacation for 2 weeks. They went to Greece on their most recent one.

Postscript: we tried to find the Homokmégy party secretary but did not succeed. A man on a bicycle said he thought the party secretary was a woman. A passerby told us he did not know who the party secretary was. At the inn, we finally found out for sure. The party secretary is a man after all; but he does not live in the village.

Regime Critics

Vienna PROFIL in German 11 Aug 86 p 39

[Article by Walter Schwarz: "The Boundaries of 'A Little Freedom'"]

[Text] Gyorgy Konrád, writer, recipient of the Herder Prize, gives us a wan smile. "I have nothing to lose," he says.

And that is a fact. He does not have a job. His books have not been published in Hungary for the past 9 years. There is a wiretap on his telephone. "I assume there is," Konrád says--but no matter.

We are sitting in a cafe in a Budapest hotel--quite informally. Konrád does not look over his shoulder three times before uttering a sound, nor does he speak in hushed tones. I am making a point of this because I can still remember a private trip I made to Romania 2 years ago, the least desirable of the East Bloc countries by far: even in perfectly harmless conversation, people would look over their shoulder three times before uttering a word of German.

Konrád is describing the situation of the intellectuals in Hungary, the most liberal country in the East Bloc by far. "Essentially," he says, "what the authorities are looking for is stagnation. There should not be any development; everything should stay as it is."

Under the circumstances, a leading critic like Konrád belongs to the group subject to virtually total censorship. Konrád put his name to a sensational appeal by Hungarian intellectuals protesting the Gabčíkovo-Nagymaros system of Danube locks which appeared as an advertisement in Vienna's DIE PRESSE in April. Nothing is done to him physically but he has been immobilized. Other writers who are treated "more mildly" are subjected to partial censorship on occasion: manuscripts or parts of manuscripts of theirs are not published or cut. "It is not always a total ban," Konrád says. "There are trends but no absolute rules."

There is a hard core of known and even outspoken regime critics, the "samizdat group" formed in the late seventies in the aftermath of the "Charta 77" events in Czechoslovakia. Another 200 to 300 activists are among the distributors of the underground "samizdat" periodicals which are read by a few thousand persons.

Just recently, the number of police actions aimed at these groups have been on the rise. One explanation being offered for this is that the authorities are getting "nervous" as the 30th anniversary of the 1956 uprising draws nearer and another is that a police officer was named minister of the interior a year ago. Thus, a police raid stopped production on No. 16 of the best known underground periodical BESZÉLOE which has a circulation of about 1,500.

The authorities make use of insidious methods. Oddly enough, they did not prevent completion of the periodical. But in line with the new Hungarian press law, some of those responsible for its publication were given stiff fines of 9,000 forints each.

In other words, dissidents are not thrown in jail but are made to suffer financially. Numerous intellectual critics are either out of work or have been shunted aside into academic positions in various institutes. They are subject to restrictions and have to wait a long time for a passport. The "happiest barracks in the East Bloc" is not too happy a place for many--least of all for conscientious objectors for the latter are really thrown in jail.

Last November, Karoly Kiszely, a conscientious objector who had spent 33 months in jail, addressed a letter to the participants in an open European cultural forum in Budapest. "I would like you to know," he wrote, "that while your conference is in session there are at least 150 law-abiding, peace-loving Hungarians being kept in prison for their pacifist views."

Not the least reason why the authorities can exert pressure on conscientious objectors is that the official Catholic Church of Hungary is "holding still." To a large extent, the Church has made its peace with Kádár, rendering unto Kádár what is Kádár's and trying not to rock the boat.

In Hungarian everyday life, the limits to public criticism are relatively wide; but there still are limits. There are two absolute taboos--one being the one-party system and the other, the Soviet presence.

From what one can see, to be sure, the latter is hardly noticeable. The Soviet troops are virtually "sequestered" in their barracks and avoid contacts with the population. This goes so far that payment for damages caused by Soviet military vehicles in traffic accidents are immediately made in cash on the spot. They want to avoid attracting attention and getting involved in unpleasant situations.

Political jokes, cabarets, fairly liberal newspapers and magazines provide escape valves for criticism. A book (recently published by Printul-Verlag, Munich) entitled "Ungarn--Lebenskuenstler auf der Suche nach der kleinen Freiheit" [Hungary--A Nation of Survival Artists in Search of a Little Freedom] provides an insight into the situation. Dr Egon Kasper, the book's author, played a major role in the preparation of the Hungarian economic reforms between 1960 and 1968 but left his native country for the FRG after the collapse of the Prague Spring. "Hungarians like to be critical as a matter of principle," Kasper writes. "As long as they are able to demonstrate dissatisfaction openly and as long as the politicians keep their promises and do not lie to him, they can be expected to fulfill their obligations. The fact that the government shows understanding for this attitude is entirely due to the party leadership headed by Kádár."

The only question is what comes next--after the old gentleman.

ECONOMY

HUNGARY

NEW OFFICE TO IMPLEMENT REHABILITATION/LIQUIDATION LAW

Budapest NEPSZAVA in Hungarian 4 Sept 86 p 5

[Text] In order to implement the decree of the council of ministers on the reorganization [rehabilitation/liquidation] of enterprises by the state, the Reorganization Office has been established, effective 1 September. The office is a budget organ functioning independently under the supervision of the Ministry of Finance.

From now on, the Reorganization Office will, in accordance with the general order, conduct the reorganization of state enterprises, trusts, other organs undertaking economic activity, and industrial cooperatives; of consumer, selling and buying cooperatives; and of state farms and forests. Starting 1 January 1988, it will also pertain to agricultural trade cooperatives, agricultural producing cooperatives, and fishery producing cooperatives.

Its main tasks are preparing the decision to order the reorganization proceedings; conducting the reorganization proceedings; putting together, reconciling, confirming, and signing the agreement--between the Reorganization Office and the reorganized enterprise--that concludes the reorganization; carefully supervising implementation of the agreement; and handling the reorganization fund.

The office is accomplishing its tasks with a small staff, drawing on the assistance of a wide circle of outside experts.

CSO: 2500/7-P

ECONOMY

ROMANIA

MEASURES TO STRENGTHEN SELF-FINANCING, DECREASE CREDIT DEMAND

Bucharest REVISTA ECONOMICA in Romanian No 22 30 May 86 p 14

[Article by De Cezar Basno: "Solutions Regarding the Strengthening of Self-Financing and the Decrease in the Demand of Enterprises for Credits"]

[Text] With a view to the continuing consolidation of self-management, self-administration and self-financing, in light of demands for the operation of the new economic-financial mechanism with higher efficiency one should take into account new clear norms of financing, of giving credit and loans, which will lead to an increase in the role and the contribution of the units' own funds in covering their financial needs and to a decrease in the demand of the enterprises for bank credits. Such a measure was especially necessary when, until not long ago, consideration of credit as a supplementary resource in all cases led some enterprises directly or indirectly to the practice of demanding bank credits frivolously. One should point out, however, that in the first place, credit has the mission of supplementing circulating resources of enterprises, a fact determined by seasonal economic processes or those of temporary character, which require the intervention of credit in this sense. In the second place, credit can have a role of replacing, i.e. of substituting for the enterprise's own funds in the process of formation, gradually, during the year. Not quite in the third place, credit intervenes as a way of supplementing under conditions of permanent participation, together with the enterprise's own funds, the covering of some financial needs of units in some branches (centers of supply-sale, domestic trade, foreign trade, where this credit has a given reason: the fluctuation of needs during the year, but also lasting traditions, the period of circulation of goods being as a rule covered from credit resources). It seems obvious to us that, under conditions of promoting self-financing, the role of credit should gradually be restricted, as a supplementary resource on the basis of the growth, at a possible pace, of enterprises' own funds, while maintaining, when one can justify it, in certain, reasonable ratios of participation. On the other hand, we think that there is an acute need to make proper use of the supplementary and substituting aspect of credit, reducing the supplementary role to its true dimensions in such a way that, on the whole, the volume of credit requests will be reduced.

We think that the kind of interpretations that harm the best use of credits and create tendencies toward unjustifiable extension of the latter can also be

found in the use of credits by means of the current account. We think that credit by means of the current account has as a first consequence the possibility of substituting, reciprocally, the credit resources of different units and the purposes for which they are granted. Thus, for example, under conditions when the formation of the funds or the incurring of the expenses in some units is delayed in accordance with the plan, resources become available to cover funds and expenses which temporarily exceeded the planned amount. This reciprocal substitution is possible as long as, by their nature, projects and purposes are interchangeable and compatible, representing forms of existence of current circulating funds. Under conditions in which the "globalization" is extended, pressures are created over the amount of the total credit which is being granted to an enterprise. Thus, including a credit of exceptional incidence, such as credits for temporary needs, in the overall ceiling creates conditions for an extraordinary resource to become an ordinary protection for some current need, even for a short period, under the condition of anticipated liquidation of these funds. Likewise, including credits for documents being cashed into the current account represents a way of extending the credit beyond the real needs. Being in accordance with the framework of ceiling determined by the level of documents being cashed at the end of the preceding trimester, the date on which usually the latter reaches a high level, a maximum which can be increased on demand, "in accordance with the needs," the volume of credit often goes over the real needs. With all the motivation that one can discuss by operational simplification, we appreciate the fact that this method of issuing credits was banned unjustifiably from the real criterion, reflecting objective needs of varied credits from day to day, centering on the criterion that reflects past, overall needs.

Keeping all of this in mind, we think that, in order to strengthen self-financing and decrease the demands of enterprises for bank credits, much greater selectivity and individualization of credit relations which are appearing are also necessary in the accounting system separate from those credits which reflect a distinct characteristic as regards the casuality and the terms of their contribution in forming circulating funds. We think that it is necessary to emphasize in the current accounts only those objectives and uses which are compatible with the nature of current circulating funds.

In the method of issuing credits, the violation of the norms of issuing credits has as a first and general consequence the movement of the credits into the "not reimbursed on time" category, a fact which causes enterprises to be charged the penalty of paying increased interests. To this system are subject both the credits which cannot be reimbursed incidentally, due to a temporary lack of corelation between income and expenses of enterprises and credits which have been in fact tied up, in unjustified reserves and expenses or in losses, for a long time or permanently. In order to eliminate the difficulties that can appear we think that it is indispensable to differentiate between the credits not reimbursed on time, for temporary lack of available funds in the account and the credits tied up for a period of time and for identified reasons, in accordance with the documented findings of the control organs. For the tied-up credits it becomes appropriate to apply much more varied system of interest which will polarize the credits tied up for

reasons independent of the will of the enterprises and reasons that are the result of poor management. On the other hand, we think that the credits tied up as a result of thoughtless management ought to have a much wider range of terms of conditions, including more variable interests, in accordance with the terms from which one benefits; necessarily, interests should be increased in accordance with the length of time the credits are tied up.

Of course, the issuing of credits on varied basis, including the appropriation of financial results, is viable and efficient under conditions when the covering of circulating funds, the best relationship between the funds themselves and credits is solidly established according to the real objective conditions of economic processes of the enterprises and the branches of the national economy.

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CSO: 2700/1

ECONOMY

ROMANIA

NEW MEASURES HELP INCREASE ORE PRODUCTION

Bucharest REVISTA ECONOMICA in Romanian No 28 11 Jul 86 pp 5-6

[Article by Ioan Barna, director of Cluj Integrated Mining Enterprise: "Mobilization of All Reserves for Fulfillment and Overfulfillment of the Plan, Along With Maximum Efficiency in Use of Production Factors: Full Use of Latent Capacity for Increasing Ore Production"]

[Text] Suitable progress of the process of equipment and material supply is prominent among the factors contributing to efficient conduct of economic activities. Attainment of this goal requires participation both by units receiving raw materials and by production enterprises. The receiving units have the obligation of ensuring sound management of stocks of such materials, increasing the extent of use of the materials, reducing processing losses, and recovering and reusing all reusable materials. Production enterprises have the responsibility of meeting all the plan targets assigned to them in order to make the specified amounts of raw and intermediate materials and energy available to the national economy. Such enterprises include mining units, within which efforts must be directed constantly at creating the preconditions necessary for increasing physical production by adopting the most suitable operating technologies, increasing the degree of mechanization of operations, and by bringing about better organization of production and labor.

The units making up the Cluj Integrated Mining Enterprise are concerned with exploitation and utilization of deposits of iron ore and useful non-metallic substances in central and northwestern Transylvania. They supply the national economy with more than 84 types of mining products, especially for metallurgy, machinebuilding, the construction materials industry, and the ceramics, glass, refractory products, and other industries. Several million tons of materials are extracted from mines and quarries each year and are processed in dressing plants. To be added to this figure are several million tons of barren rock excavated and dumped. These operations are conducted in Cluj, Salaj, Bistrita-Nasaud, Maramures, Bihor, and Arad districts.

Acting steadfastly to implement the substantiated technical, technological, and organizational measures that have been devised and incorporated in various programs set up at the beginning of the year, and in the programs scheduled for the first stage of improvement in the organization and modernization of production processes, in accordance with the instructions issued at the recent plenary meeting of the RCP, the personnel working at the quarries

and mines of the integrated enterprise have achieved superior results in completing the plan assignments for the first 6 months of 1986. For example, at the level of the integrated enterprise as a whole the commodity output target has been exceeded by 10.6 percent, as a result of extraction, processing, and shipping of significant amounts of products (iron ore, quartz sand, granulated quartz, dressed feldspar, etc) in excess of the amounts specified in the plan. All the units have made an important contribution to these accomplishments. Particularly good results have been logged for all plan indicators at the Iara Mine and the Capus and Aghires mine quarries. We think it important to point out that achievement of these results has been paralleled by substantial savings at the level of the integrated enterprise in consumption of electric power, fuels, and miscellaneous materials (detonating cord, haulage rope, rubber covering for conveyor belts, forged balls for ball mills, metal sections and sheets, etc).

The achievement of output exceeding the planned levels has been due primarily to the efforts exerted for full utilization of available internal potential in each unit, given concrete expression in application of the more than 40 technical, technological, and organizational measures scheduled for this time of the year. The economic efficiency reached for the year as a whole is represented by an increase of around 75 million lei in commodity output, a 7-percent rise in labor productivity, and savings of 28 million lei due to lowering of production costs.

In the context of the action taken, particular attention has been devoted to extending the list of products obtained by the units and needed by various sectors of the national economy. For example, the variety of graded washed sands produced by the Aghires Mine Quarry has been broadened. Production of granulated tuffs for pesticide conditioning has begun at the Capus Mine Quarry and the Cluj Mine Sector, organophilized bentonite for drilling liquids is now produced at the Suncuius Mine, the Ineu Production Brigade produces micronized diatomite needed for powdering fertilizers, etc. These accomplishments in the area of broadening the product range have been made possible both by the efforts of the respective units themselves and especially by cooperation with the dedicated research and development institute in Cluj-Napoca. The aim of this cooperation has been to devise the most suitable technologies and to achieve superior characteristics for every new product.

Along with the measures of this nature, much attention has been devoted to creation of the technical, technological, and organizational conditions necessary for smooth progress of production. Suitable measures have been taken in this direction to improve the degree of mechanization of the operations of drilling, loading, and hauling from the mine faces at Iara, Popesti, Suncuius, and Valea Chioarului, with the result that labor productivity increases of up to 6 percent have been achieved at the faces. In addition, the arterial conveyor belt has started operation at the Aghires Mine Quarry, as has also the conveyor belt at the Cuculiat Mine Quarry, and as a result savings of more than 80 tons of fuel and curtailment of haulage times have been achieved through reduction of motor vehicle haulage. Important measures have also been taken to increase the number of direct production personnel in underground mines and quarries and in geological prospecting and research activities through reassignment of personnel to other activities, to improve the scheduled maintenance and repair operations, to reduce the

time required to complete operations of this nature, to increase the coefficients of intensive and extensive utilization of equipment and production lines, etc.

Detailed analysis of the conduct of operations during the first part of the year reveals, however, that better results could have been obtained, primarily because potential still exists from a number of viewpoints. Exploitation of this potential depends both on us and on units which contribute indirectly to conduct of production processes in the quarries and mines of the integrated enterprise. We have in mind above all the real possibility that exists and that has not as yet been fully utilized in the area of product quality improvement. For example, the share of superior quality varieties in total output is still small in the case of the kaolins prepared at Aghires and in that of the Suncuius refractory clays. Although the principal cause is represented by the poor quality of the reserves now being worked, the situation could be substantially improved by stepping up efforts in the direction of detecting, tapping, and working new reserves with superior quality characteristics and by applying rapid quality analysis methods which promote optimization of selective working and improvement in ore dressing production flows, these being areas on which attention is currently focused.

Significant potential for improving the activities of the units in the integrated enterprise lies in improving cooperation with various economic units, and with railroad transportation units in particular. The Cluj Regional Railroad Administration must be more prompt in honoring its obligations toward our units, primarily as regards regularity in making the necessary railroad cars available to these units.

The experience gained during the first half of the year, both at the level of the integrated enterprise as a whole and at the level of its component units, is being applied in the ongoing firm and expeditious action taken to ensure application and completion of the measures scheduled for the forthcoming period, so as to create the conditions necessary for complete fulfillment of the plan for 1986. More than 24 technical and organizational measures are scheduled for application during the second half of the year. Application of these measures is expected to yield an estimated economic efficiency for the 12-month period reflected in an increase of 40 million lei in commodity output, a 4-percent increase in labor productivity, and lowering of production costs by more than 16 million lei.

Emphasis will be placed in the future on measures aimed at creating the possibility of broadening the product range. For example, action is being taken to increase the capacity for ground limestone production at the Jibou Mine Quarry and to start up production of micronized calcined diatomite for ball bearing polishing by the Ineu Production Brigade, micronized clay for foundries at the Suncuias Mine, and granulated tuffs for drying natural gas at the Capus Mine Quarry, and for increasing the variety of granulated quartz produced at Fagetul Ierii. These measures will create potential for increasing the extent to which the needs of the national economy for products are met in our sphere of activity, so as to increase production by more than 20 million lei at the level of the integrated enterprise as a whole.

Other measures under consideration to improve activities, in addition to the efforts cited, are production of an installation at the Iara Mine for

recovery of secondary heat from the compressed air from compressor stations, something which will lead to annual fuel savings of more than 80 tons of conventional fuel, completion of experiments on removal of iron from refractory clays in a multiple-gradient magnetic field at Suncuius to improve the quality characteristics of these clays, further increase in the extent of mechanization of operations, improvement in spare parts reconditioning operations, etc.

Implementation of the provisions of the programs of measures set up, through better mobilization of the efforts of all labor collectives, can ensure increased production this year at the level of all the component units of the integrated enterprise, in accordance with customer demands, so that our contribution to the process of supply of equipment and material supply will be commensurate with the potential available to us.

6115

CS0: 2700/291

ECONOMY

ROMANIA

BETTER TECHNICAL-MATERIAL SUPPLY SYSTEM PLANNED

Bucharest REVISTA ECONOMICA in Romanian No 28 11 Jul 86 pp 7-8

[Article by Petre Preoteasa, Minister of Technical-Material Supply and Control of Fixed Asset Management: "Technical-Material Supply, a Component of Regular Plan Fulfillment"]

[Text] As was pointed out at the recent plenary meeting of the RCP Central Committee, the 1986-1990 5-year plan, and accordingly the plan for 1986, place special emphasis on intensive development of industry, agriculture, and other sectors of the economy, with effort concentrated on improvement in product quality and elevation of the technical level of production, full use of all material and energy resources, as well as fixed assets, with maximum efficiency, and increase in the economic efficiency of all activities.

In preparation of the 1986 plan particular attention was devoted to coordination of the various sections of the plan, and in particular coordination of the production plan with the technical-material supply plan. A balance is struck between resources and consumption requirements for all of the more than 2,300 materials budgets drawn up. The goals assigned in the directives of the RCP 13th Congress, the fundamental guidelines, tasks, and instructions given by the party secretary general, Comrade Nicolae Ceausescu, and the provisions of the special programs approved for each sector of activity have been taken into consideration in arriving at reasonable volumes of material and energy resources. Securing the material base of the plan for this year has accordingly been coordinated with physical output and the scheduled volumes of other activities, lowering of consumption rates, and increase in resources by appreciably enlarging the share of recoverable and reusable materials, employment of a greater amount of domestic resources, and strict limitation of imports of raw and partly processed materials.

Technically and Scientifically Substantiated Consumption Rates for Every Unit of Product

The directives of the 13th party Congress set the goal for this 5-year plan of reducing the share of material costs in the social product to 53 percent and the volume of costs per 1,000 lei of commodity output by more than 80 lei in 1990 in comparison to 1986, through reduction of the consumption of materials and energy, increase in the degree of utilization of raw materials, fuels, and energy, modernization of the product structure in all sectors, etc. The list of consumption indicators has been extended, for the sake of

more efficient management of material and energy resources and more rigorous control of consumption, through inclusion in the plan of standards for new or modernized products and for materials for which it has proved necessary to ensure control of resource utilization by means of norms approved at the central level. In the aggregate, the plan includes more than 5,000 primary products, for which around 50,000 consumption ratings have been elaborated. The purpose of extending the process of consumption rating for individual products is to eliminate the influence of production structure modification on the extent of compliance with the ratings set for the individual products. At the same time, technical substantiation of specific consumption amounts is to be effected in accordance with Law No 20/1984 on standardization, establishment of production standards, and product quality.

Consumption rating at the macroeconomic level in 1986 ensures regulation of more than 90 percent of total consumption in the case of fuels, electric energy, coke, cast iron, ferromanganese, ferrosilicon, rolled goods and pipes of ferrous metals, non-ferrous metals, textile fibres and filaments, 80 to 90 percent in that of chemical raw materials, logs, timber, particle board, paper and cardboard, cement, and concrete steel, and 75 to 80 percent in the case of some raw materials used in the food industry. It is estimated that reducing the physical amounts will result in rated consumption savings of more than 20 billion lei for 1986 in comparison to the actual specific consumption in 1985.

Adherence to the consumption ratings approved by the plan is mandatory for economic units, centrals, and ministries. From the viewpoint of plan balance, exceeding the consumption ratings is equivalent to a resource deficit and affects other consumers of raw and intermediate materials and energy needed for completion of production assignments. Precisely for this reason is it absolutely necessary to ensure completion of the assignments made in the programs of measures established at the enterprise and central level to ensure better use of material and energy resources. The collective management authorities of enterprises and centrals must also concentrate their attention on full implementation of the programs for renovation and modernization of products and technologies and elimination of any form of waste. And it must be frankly admitted that much still remains to be done in this direction. Significant amounts of raw and intermediate materials and energy are consumed needlessly because of delays at some enterprises in modernizing products and in replacing technologies overtaken by technical progress with other new ones, or because of failure to adhere to production technologies, because of rejects, unsuitable management of resources, and metal in particular, etc.

Just as pernicious is the practice of making exceptions to the rule. In essence this also represents exceeding the rated consumption amounts. Because of supply disruptions, unavailable assortments are generally replaced in production by superior assortments or ones of larger volume. This results in additional consumption of materials and energy, with no consideration given to the depletion of supplies caused in management of materials, inasmuch as the assortment consumed will not be available when it is needed. The inclusion of consumption indicators among the criteria and conditions on the basis of which the wage fund is increased or decreased is intended precisely to ensure more reasonable use of raw and intermediate materials, close off other channels of waste, and increase the feeling of responsibility

of all labor personnel for strict conservation of resources allocated by the plan.

A Mine Whose Potential must be More Fully Exploited

Recoverable and reusable materials make a special contribution to meeting raw materials requirements. The guidelines laid down in the documents adopted by the 13th Congress of the RCP elevate this problem to the rank of a major strategic objective of development of the Romanian national economy. For example, in assignment of targets for recovery and utilization of reusable materials for 1986 the aim has been to increase the volume of such resources in securing the material basis of the plan, in keeping with the levels specified in the program for intensification of the activity of collecting and recycling reusable materials over the 1985-1986 period, as approved by the joint full session of the National Council of Workers and the Supreme Council of Economic and Social Development on 17-19 June 1985. The 1986 recovery targets for steel, cast iron, copper, aluminum, brass, bronze, paper plus cardboard, high-density polyethylene, and other major categories of reusable materials have been increased 10 percent over those of 1985. The population is assigned a share exceeding 20 percent in achieving these increases. The share of reusable materials in securing the material basis of the 1986 plan will be more than 40 percent for electrolytic copper, more than 50 percent for lead, 45 percent of the metal charge in production of steel, ferrous alloys, and cast pieces, around 27 percent of the fiber materials for production paper plus cardboard, etc. It is the concept of our party and its secretary general, Comrade Nicolae Ceausescu, that intensification of the recovery and utilization of reusable materials in order to meet the needs of the national economy largely with domestic resources is a national task to accomplish which all economic units, local party and state authorities, mass and public organizations, and the urban and rural population are called upon to make a contribution.

To create the technical-material and organizational conditions needed for full attainment of the recovery and utilization levels assigned for 1986, the ministries, centrals, and economic units must devote particular attention to selective recovery of all reusable materials resulting from consumption processes and from crating, sorting, and warehousing of such materials, and to preparation of such materials by crushing, briquetting, packaging, etc, depending on the nature of each material, for the sake of conserving transportation equipment and increasing the efficiency of their use by customers. Greater effort must also be made to ensure timely completion of investment projects for processing and utilization of reusable materials, outfitting all production, processing, and collection units with machinery and equipment for preparation of reusable materials, and finalization and application of technologies for utilization of reusable materials of rubber, plastics, old textiles, granulated abrasives, etc.

We will have to be much more strict in enforcing the law, granting new materials only to the extent that each economic unit reaches its planned targets for recovery and utilization of reusable materials. There is need in this direction for greatly intensifying the process of raising the awareness of all categories of citizens, both as regards the role of reusable materials in development of domestic raw materials resources and reducing imports and as regards the polluting effects of reusable materials which

are scattered over fields, forests, and green spaces. Nothing can justify the attitude of enterprises or citizens who discard reusable materials of all categories in household or industrial dumps, on vacant lots, by the sides of roads, or even on cultivated land. Of course, the dedicated enterprises created specifically for the purpose of collecting and recycling reusable materials must become more active and diversify their forms and methods of collection.

At the same time, a significant volume of free reusable energy resources will be exploited in 1986. This volume is the equivalent of nearly 7.7 million tons of conventional fuel, approximately 30 percent more than that utilized in 1984. Determined on the basis of the tasks established by the party leadership on the occasion of inspection of the exposition of reusable energy resources and new sources of energy, this volume can be fully recovered and recycled if the requisite effort is made by all factors involved. To increase the volume of reconditioned spare parts, the share of which in 1986 is to reach more than 30 percent of total spare parts requirements, consideration has been given to reconditioning in units specializing in making major repairs of equipment.

Close Coordination of Resources with National Economic Needs

Securing the material basis of the plan, maintaining balance at all times between requirements and resources, calls for regularity of physical production, together with adherence to the production structure specified by contract, something which is, moreover, a fundamental requirement of worker self-management, the new economic and financial mechanism, for normal progress of the highly complex process of equipment and material supply. The measures recently adopted for rigorous application of the principles of worker self-management, autonomous economic and financial administration, and universal application of the flat-rate system throughout the economy are designed to increase the responsibility of worker collectives for production of the planned assortments of physical output and for timely compliance with all the clauses in the economic contracts signed and to assure maximum efficiency in utilization of the portion of the national wealth entrusted to workers for administration.

In the sphere of supply of equipment and materials, to increase the role of economic contracts as a basic instrument in planning and implementation of the provisions of the unified national plan of economic and social development, the obligation has been instituted in effect of contract procurement of output intended for domestic consumption until the plan for the following year has been finalized. At the same time, the provision has been made that relationships between socialist units will be established by means of economic contracts covering a maximum period of 60 days from the date of receipt of allotments in the case of products for which materials budgets are prepared or of plan quotas in other cases. This will make it possible to take all the measures needed for scheduling and making preparations for manufacture. We should also note the arrangement under which misunderstandings arising from domestic contracts covering the performance of export and international economic cooperation transactions are to be resolved in conjunction with the Ministry of Foreign Trade and International Economic Cooperation.

To increase responsibility in contract performance, it has been provided that failure to fulfill obligations assumed under a contract or unsuitable fulfillment of such obligations entails reimbursement which also includes payment for losses sustained by a customer from payment in his turn of penalties and compensation. At the same time, a procedure has been established for recovery of losses sustained by an enterprise suffering damages, both whenever such losses can be charged to the persons responsible for them and when the responsibility of the collective is invoked when the persons directly responsible cannot be determined.

At the same time, to ensure the most sensible and responsible use possible of material resources, the new regulations provide that consumption ratings and standardization tasks be established a year in advance of the plan year. In addition to more thorough substantiation of the production plan, it will enable the enterprises, centrals, and ministries to establish all the technical and organizational measures needed to ensure adherence to the established consumption ratings.

Greater responsibilities are assigned to the worker collectives in providing material resources for export-oriented production. A recent decree of the Council of State instituted the obligation that allocation, procurement under contract, supply, management, and consumption of raw and intermediate materials intended for export-oriented production be effected separately, and also instituted prohibition of diversion of such resources to other uses by units, centrals, and ministries at higher levels of authority. Inasmuch as material resources are secured primarily for export production and are to be used exclusively for this purpose, conditions have been created for strict adherence to export contracts and increasingly active participation by Romania in international trade.

In order that the role and tasks assigned to the Ministry of Supply and the mission assigned to it by the party secretary general of functioning as a true ministry of trade for industry in the economy may be performed with the highest possible efficiency, a number of measures have been adopted whereby our ministry is more greatly involved in organization and conduct of equipment and material supply, in maintaining the material balance of the plan, and in timely intervention in and solution of all the material resource problems confronting economic units and ministries. Mention should be made in this connection of the following recently adopted measures: extension of the scope of the quarterly and monthly supply programs; weekly and daily monitoring of deliveries of the more important raw and intermediate materials to important production units; expeditious analysis, together with the State Planning Committee, Ministry of Foreign Trade and International Economic Cooperation, and the economic ministries, of the status of plan fulfillment and establishment of priorities in supply out of current output, from emergency stocks, and from reserves; expeditious resolution at the local level, by the district bases subordinate to the ministry, of problems in equipment and material supply encountered by enterprises in the particular district; strengthening of control over use of critical materials, and imported ones in particular, and shipment of the major ferrous alloys and alloying elements directly from our own bases.

The measures adopted, along with the ongoing strengthening of cooperation with the economic ministries and industrial centrals to ensure regular

supply of material resources for the plan, prevent disruptions in supply of economic units, maintain stocks of raw and intermediate materials at the planned level, and avert the formation of surplus and excess stocks have created all the conditions required for exemplary achievement of the goals and tasks established by the economic and social development plan for 1986.

6115

CSO: 2700/291

MILITARY

GERMAN DEMOCRATIC REPUBLIC

MAINTENANCE OF MODERN WARSHIPS DETAILED

East Berlin AR-ARMEERUNDSCHAU in German No 7, 1986 (signed to press 20 May 1986) pp 30-35

[Article by Lt Col Ernst Gebauer: "Energy Equals Combat Effectiveness"]

[Text] When observing the electronically controlled guns, the projectile launchers, the antenna and the other armament and equipment on this landing ship, what reader thinks of the energy that must be provided so that everything functions?

The Cottbus, with 1,800 tons displacement, 90-m length and 11-beam, is, of course, not the largest of its kind. Yet, its two 57-mm and the two 30-mm twin guns, the two projectile launchers, the appurtenant weapon control systems, the corresponding command systems, as well as the landing equipment and the electrically operated systems which are necessary to operate the ship and its engines, consume about 1.2 megawatts of electrical energy. Those are the daily requirements of city of 20,000 inhabitants without industrial plants!

It is a known fact that engines drive ships forward. But that they also have motors which are devoted exclusively to producing electrical energy with generators is less well known. Even the sailor scarcely gives it a thought when he turns the light switch on or has his food given to him by the ship's cook in the galley. The cutlet on board is fried with electricity.

All of this is made possible by the comrades in the engine combat sector, designated by the maritime abbreviation GA-V. The service manual in practical terms calls it a "partial system of the ship" which has "to make optimally available both quantitatively and qualitatively under all conditions and circumstances the kinds of energy which are needed on board." This includes cruising with the main engines without which no forward movement of the ship would be possible.

The optimal situation means simply the best value. And that is to be provided by the engineers even when the ship tilts upward in a strong wind and with high wave action and when it lists 30° and more. The commanding officer and crew have to engage in combat even under these conditions. But how safely

the ship is maneuvered and how all command and weapon systems are able to operate is ultimately in the hands of the engine room personnel.

"For us every cruise is important!" The words of Lt (junior grade) Pape, the senior GA-V officer in command on the Cottbus, do not reveal arrogance, but rather suggest that in contrast to many other functions on board the engineers are always at work. Whether for the engine petty officers and men at the 2 main engines with 4,413 kilowatts each (6,000 horsepower) or the electrical engineer and his men at the 4 diesel generators, after the order to let go the lines there is no more practicing for the entire combat sector, even if the remaining crew is drilling this or that variation of combat at sea.

The lieutenant says that "reliable and economic operation of the ship's engines requires skilled knowledge on the part of every comrade in our combat sector. Otherwise things won't work. The situation always gets difficult in the spring and fall when, following discharges, young comrades without practical onboard experience are assigned from the fleet school. But even then I can rely on my collective. Petty officers second class and staff seamen recruits, who have already been on the ship for up to 2 years, take on sponsorships. They help the new men acquire the special theoretical and technical knowledge which is necessary for the jobs at the various stations. For the most part they manage things so that their charges acquire, even prior to sea training, certification for independently making ready for sea and combat and for monitoring operation under simple conditions at their stations. So that they may make their rounds on their first cruise. They also help them in special training in which they primarily learn to operate the facilities and systems under complicated conditions. For example, what must be done at the stations if because of combat there are technical failures and substitute approaches to maintaining combat capability and the safety of the ship become necessary!"

But how to cruise economically? How to save without diminishing the ship's performance in combat?

"Not all combat tasks require the maximum speed of about 18 knots from the ship. If the situation permits, the output of only one main engine is adequate. If the second is not operating, then there is a saving of diesel fuel as high as 30 percent. The commanding officer listens to this suggestion, but demands the assurance that the second engine can be started immediately. Many of the ship's maneuvers must be done with both engines. Only through prudent and sure work can we attain this readiness!"

Not only fuel can be saved, as Lt Pape explained: "The transmission oil of the nonoperating engine must be kept at 40° plus via the preheating system so that this engine will start without delay and can run at full speed right away. If the system through which the transmission oil is pumped is not precisely monitored, the temperature rises, the oil expands, overflows and runs into the ship's bilge. Then there are oil losses!"

According to the lieutenant this is even clearer, for example, in the case of the electric generators: "With full operation of the ship and simultaneous weapon use the output of all four generators is necessary. The output of one is adequate when at anchor. After the order to weigh anchor, however, many times more energy is essential. Again, being in full command of the equipment determines whether savings are possible or whether--for example, if the other generators are switched in too late--the serviceability of the ship is reduced or even impeded. For nowadays, air targets approach at supersonic speeds. Thus the time available to combat them is becoming increasingly shorter. If after the combat alarm is set off there is not immediately enough power for the weapon control system and there is also no voltage in the firing circuit, the ship is defenseless!"

This example alone suggests that on a combat ship it is not always possible to put engine operation on a "low flame." The circumstances of modern sea combat also require levels of readiness with full operation of engines and generators. If the weather is bad, the use of energy and fuel is likewise higher. If sailing against the wind, the motion of the sea and the current more power output is required of the engines. Even the seasons of the year have different effects. Nonetheless the comrades of the GA-V on the Cottbus constantly aim to save two to three percent by means of attentive work on the engines and power units. "If the onboard collective does its part, then it can be done!" says Lt Pape. "Upon the bridge and in each of the other combat sectors there is joint decisionmaking about consumption at the time. If frequent engine maneuvers are hastily required, it not only wears out the engines, but it also increases their fuel consumption!"

The comrades of the Cottbus' GA-V want to consume 2 to 3 percent less diesel fuel per nautical mile. During a training cruise of several weeks, in which the ship utilized all its combat capabilities, they required even 20 percent less because of prudent work in the engine combat sector. Thus they would have been able to continue without having to refuel. In this way energy saved produces renewed combat effectiveness.

12124/6662

CSO: 2300/481

POLITICS

GERMAN DEMOCRATIC REPUBLIC

EXPANSION OF CITY PARTNERSHIPS WITH FRG CRITIQUED

Hamburg DER SPIEGEL in German Vol 40 No 36, 1 Sep 86 pp 50-51, 54

[Article under rubric "Partner Cities": "Old Love"]

[Text] GDR State Council Chairman Erich Honecker offered a kind of unusual service to his guest, SPD top candidate Karl-Heinz Hiersemann. He would "personally," he promised, "play the mailman" and deliver a letter from Franconian Erlangen to Thuringian Jena.

Now, 3 months later, a response from the GDR was received by the sender, Chief Mayor Dietmar Hahlweg (SPD) of Erlangen. Hahlweg's colleague in Jena, Walter Windrich, announced his readiness a week before last to enter into "closer negotiations" about a partnership between the two university towns; a Jena delegation would come to Middle Franconia next fall for "initial discussions."

Visits from the other side are also being expected by the community councils in Honecker's hometown, Neunkirchen in Saarland. Late in September they are planning to negotiate with emissaries from the Spreewald town of Luebben-- German-German city partnerships have become feasible.

With help from the GDR state council chairman, late last year, during the visit of the Saarland SPD chief of government, Oskar Lafontaine, the first pact, between Eisenhuettenstadt/Oder and Saarlouis, had been initiated. Delegations have since been traveling back and forth. Agreements are supposed to be ratified this month by the council plenum of both communities.

First it looked as if this partnership was to remain an exception. The SED people snubbed many an applicant wanting to follow in the footsteps of the municipal councils of Saarlouis and Eisenhuettenstadt. Yet since the negotiations of Erlangen and Neunkirchen with Jena and Luebben are making headway, other FRG cities are hoping to be successful. Even for Wuppertal, if unofficially for the time being, a GDR partner has surfaced: Zwickau in Saxony. "That will surely make headway," according to someone working on the case at Bonn's ministry for inner-German relations. Erlangen's chief mayor now even expects that the interdict has been removed generally for city partnerships with the GDR.

That could lead to interesting perspectives. Though city partnerships across borders, such as between the FRG and France, usually lead only to routine meetings between some functionaries, they could assume special importance for the two Germanys as climate indicators.

The GDR's abandoning its previous demarcation within so short a period has given wings to communal policy. Bonn's ministry for inner-German relations, even if it can itself hardly become active officially in passing them on, has meanwhile received more than 300 inquiries from FRG communities and counties, 100 of them since the turning point instance of Saarlouis/Eisenhuettenstadt. Experts even estimate the total number of communities desirous of GDR partners as twice as high.

Yet reserve still seems called for. "Expecting the gate opened for many new city partnerships is surely wrong," as the Bavarian SPD politician Hiersemann put it after his trip to the GDR. The German Cities Conference warned its members in a circular that the GDR "no longer in principle rejected" such partnerships, yet special terms such as "exceptional rule" or "test case" indicated "that the many desires for partnerships by our member cities have little prospect of success in the foreseeable future."

The SED apparatus, that is, and the security organs are opposed to community contacts. The comrades fear, as they always have, an ideological softening up and a further increase of emigration applications from the GDR people, high as they are anyway. The "exceptional rules" (according to Ewald Moldt, the head of the GDR's permanent legation in Bonn) might even be concessions to Honecker, which might again be annulled from one day to the next.

Even so, several FRG cities, encouraged by the breakthrough on the Saar, are retrieving old projects from the drawer that had already been written off, such as Stuttgart which already in 1950 was the first big city in the FRG seeking contact and eying Dresden. Also in Kiel, Bremen and Luebeck old love is reviving and so is the hope of eventually still getting through to the Baltic ports of Wismar or Rostock.

The new initiatives by no means are being launched only by red or green council factions as in Stuttgart or the Upper Bavarian Starnberg, where the ecology party dreams of a partnership with the nearly identically named town of Sternberg in Mecklenburg. In Ludwigsburg in Baden-Wuerttemberg the thrust comes from the Free Democrats, for instance, who want a partnership with Meissen and think they see handles for it in the "world renowned china manufacture in our two cities." In Kaiserslautern, courting Halle, the idea comes from the CDU vice president of the Landtag in Rhineland-Palatinate.

All that appears like a "diplomatic act on the lowest level of common man" to Chief Mayor Manfred Henrich (SPD) of Saarlouis. The communities can thus take on the role of the outrider, after their partnership wishes have always foundered thus far on the standard demands from the SED: the recognition of the GDR's own citizenship, settling the national border on the Elbe, and disbanding the FRG collection center for GDR crimes in Salzgitter.

The GDR will not surrender those positions because of Honecker's Saar reminiscences. That only a crack of the door was opened to the West evidently has to do with the experience of many partnerships between GDR cities and other West European states, like mainly France or Italy. Traveling GDR citizens hardly split any longer. They are more or less selected and rate as fairly loyal to the regime. That even gives the GDR the chance to reward meritorious citizens for their

dedication. And in departing from strictly proscribing partnerships there also might have been involved the realization that this way some ideological export to the FRG might become feasible, it still being a "revanchist FRG."

This precisely is what Bundestag deputy Eduard Lintner, the CDU/CSU spokesman for the Germany policy, is warning against. The deal between Eisenhuettendorf and Saarlouis was a "straightforward SED propaganda paper." The Western partner would get nothing but visits by GDR functionaries; that would undermine the FRG policy on effecting more "freedom of movement for normal GDR citizens."

"The paper does not hurt a thing," says Saarlouis Chief Mayor Henrich, on the other hand, who keeps banking on "direct encounters among people." After all, the Saar paper says: "The citizens of both cities and both states belong to that community, based on descent, language, and culture, that is called 'German people.'"

Henrich regards the pact with Eisenhuettendorf as a "dancing lesson for practicing the art of innocent encounter." In an "experimental phase," that much is yet clear, neither Eisenhuettendorf nor Jena will be able to afford spectacular decisions of their own, as GDR communities, in contrast to their FRG counterparts, have no autonomous administrative rights.

Partnerships with GDR communities depend on the GDR top executive. A hint from the top alone empowers GDR communal administrators even to react to an FRG attempt at contacts. That it does not work in any other way became clear this spring to a delegation from Mainz arriving in Erfurt, its prospective partner.

The Mainz delegation had announced its visit, to be sure, in writing to the GDR representation in Bonn and to Erfurt's Chief Mayor Rosemarie Seibert. But no response had come, let alone an invitation.

In front of Erfurt's city hall, in ankle-deep slush, the Mainz delegation was then given a reception, not by the chief mayor, however, but by some Mr Krause. He instructed the West Germans that they were "not legitimate"; besides, the chief mayor had office hours only on Tuesdays, but this was Thursday.

5885

CSO: 2300/544

POLITICS

HUNGARY

DEFENSE MINISTRY, YOUTH LEAGUE SIGN COOPERATION AGREEMENT

Budapest NEPSZABADSAG in Hungarian 17 Sept 86 p 9

[Text] The Hungarian Pioneers' League and the Ministry of Defense have signed a cooperation agreement. Under its mandate, in the future the two sides will further develop among the Pioneer age group the teaching of patriotic defense of the homeland, and will acquaint them with the life and activities of the Hungarian People's Army. Through the expansion of technical propaganda, it will try to help stimulate interest in military technology and military service, as well as to cooperate in taking a more effective role in the development of the children's and Pioneers' achievements.

CSO: 2500

POLITICS

HUNGARY

BOOKS ON 1956 'COUNTERREVOLUTION' AVAILABLE IN BOOKSTORES

Budapest NEPSZAVA in Hungarian 17 September 1986 p 6

[Article: "Publications About the Beginning of the Socialist Renewal." The phrase between slash marks was italicized in the original.]

Once again this year the Kossuth Publishing House is offering countless new volumes on the occasion of political book days. Among them are four publications that deal with /the tragic events of the fall of 1956,/ and describe the development and important junctures of the national and socialist renewal that overcame the counterrevolution.

The volume by Sandor Gereb and Pal Hajdu entitled "The Rear-Guard Action of the Counterrevolution" is already available in bookstores. Viewing the situation after 4 November 1956, the two authors describe the establishment of the armed groups, their social composition, their size, their political goals, and the role they played in the counterrevolutionary events. They describe their actions and their liquidation in the armed battles of 4-9 November. The volume traces the activities of the political groups that fought most actively against the consolidation, the organization of the revisionists, and the activities of the enemy groups and individuals in the Greater Budapest Central Workers' Council, in the Writers' Union, and in various "revolutionary" committees. The book exposes the reasons for the failure of the Revolutionary Worker-Peasant Party's attempt to organize a boycott and of the renewed armed insurrection that had as its slogan "We'll Start Again in March."

"Dramatic Days," Ervin Hollos's and Vera Lajtai's new work, which examines the time between 23 October and 4 November, will soon be in the bookstores. Proceeding day by day, the comprehensive historical treatment describes, on the basis of archival material and other documents, memoirs, court cases, and studies, what happened. They show how the 23 October demonstration turned into a counterrevolutionary battle, how the armed counterrevolutionary groups were formed, and what part the western European media and intelligence services played in influencing them. They also cite the part played by Radio Free Europe, as well as by several western embassies in Budapest, and show how

the isolation and disintegration of the counterrevolutionary forces came about. In parallel with discussing the tragic events, they describe the rebirth of the strength of the revolutionary workers' movement, the decisive revolutionary conduct of the party leadership, the international aid given by the Soviet Union and the socialist countries, and the reorganization of the MSZMP [Hungarian Socialist Workers' Party].

The picture book entitled "A Chronicle of 30 Years, 1956-1986" does not contain much text, but it describes the events of the past three decades through many photographs, drawings, caricatures, and statistical data.

The volume makes known the domestic and foreign political, social and economic developments that were plagued by international problems and many, many internal obstacles. The book was compiled by Endre Bassa.

The publisher is once again publishing Janos Berecz's work, "Counterrevolution with Pen and Arms, 1956." In the third, expanded edition the author describes, on the basis of new research, the circumstances under which the Hungarian revolutionary worker-peasant party was formed, the organization of the revolutionary counterattack, and the first steps toward socialist consolidation, and it compiles eyewitness accounts of imperishable value.

CSO: 2500/~~814~~

POLITICS

ROMANIA

WEST GERMAN PAPER COMMENTS ON PERSONNEL CHANGES

Role of Elena Ceausescu

Frankfurt/Main FRANKFURTER ALLGEMEINE ZEITUNG in German 28 Aug 86 p 4

[Article by V.M.: "Government Reshuffle in Romania"]

[Text] Ceausescu, Romania's head of state and party chief, once again has reshuffled his government and transferred even people who had assumed their offices only a short time ago. Foreign minister Vaduva, who came into office as successor to Stefan Andrei about 7 months ago, was newly appointed as head of the Foreign Trade Ministry. Ioan Totu, a functionary with an economics background, becomes the new foreign minister. Since 1982 he has been deputy prime minister and in charge of Romania's relations with the Council for Economic Mutual Assistance (CEMA). Previously he had been director of the central economic research institute. As a member of the Council for Science and Technology, Totu may maintain closer connections with Elena Ceausescu, wife of the state and party chief, which is also being said about his predecessor and new foreign trade minister, Vaduva. The incumbent foreign trade minister, Pungan, about whose new function nothing has been said to date, formerly had been Ceausescu's adviser and has a reputation of being rather incompetent.

Ceausescu's latest government reshuffle seems to be motivated by the newly increased gravity of the country's situation. Romania is practically insolvent and, because it has to deliver more and more foodstuffs as "hard goods" to the Soviet Union for petroleum and raw materials, at present it is having even more difficulty than usual in filling its own needs and observing its export obligations to Western trade partners. For months, there has been no meat available in many parts of the country. On the other hand, shortly before the national holiday on 23 August, Ceausescu once again announced a "new agricultural revolution" which is supposedly to remedy the difficulties. As a rule, Ceausescu regularly rotates people in his power apparatus in order to prevent the creation of centers of personal power.

The present cabinet shake-up reflects much of this general constellation. Cornel Pacoste, Central Committee secretary since last year and in charge of agricultural matters, becomes the new deputy prime minister, and evidently remains in charge of the same sector. He had formerly been

district chairman in Timisoara and had also worked in the foreign ministry for some time. He made a relatively good impression on visits, but policy is probably determined by the Ceausescu alone. The second deputy chief of government, Ancuta, was Ceausescu's adviser and is little known. Also replaced was finance minister Gigea, having held this office for 5 years; his successor is Alexandru Babe, evidently a high official of the finance ministry. Teodor Coman, chairman of the Commission for Problems of "People's Councils," i.e., the local administrative units, is being replaced by Gheorghe Pana, whom Ceausescu has always put in complicated posts and who most recently was minister for the foodstuff industry and distribution of agricultural products (according to Ceausescu's system, the individual districts are to be in charge of their own food supplies).

Economic Problems Affect Appointments

Frankfurt/Main FRANKFURTER ALLGEMEINE ZEITUNG in German 30 Aug 86 p 10

[Article by Johann Georg Reissmueller: "Constant See-Sawing in Bucharest"]

[Text] Among the latest changes in the Bucharest leadership apparatus, the most striking is the change at the helm of diplomacy. Foreign Minister Ilie Vaduva had only assumed office in November as successor to Stefan Andrei who was appreciated by Western statesmen and diplomats because of his affability, his great knowledge in the field of international relations, and his efforts to have good relations with the West. There are some indications that state and party chief Ceausescu dismissed him, because the Soviets were angered by a foreign minister in Bucharest so receptive to the West, and because the sacrifice of removing this man from Moscow's field of vision seemed comparatively bearable to the Romanian party chief. Andrei was appointed one of the secretaries of the Central Committee. It is not known what he is doing in his new post.

But other factors may also have played a part. Ceausescu is dissatisfied with Romanian diplomacy and the work of many embassies. He blames them for not doing enough to ease the pressure of debts and to procure bigger export orders bringing in foreign exchange. He especially takes umbrage at some diplomatic missions for having failed to catch and return former Romanian secret service officials or relatives of high Bucharest dignitaries having defected in the respective host countries. Evidently, such an affair also overshadowed Ceausescu's visit to Bonn in the fall of 1984.

Andrei's successor at the helm of the foreign ministry, Vaduva, certainly has not aroused the ill will of the state and party chief through political arbitrariness; but perhaps he, also, did not live up to the expectations of his highest master. If he did fall into disgrace, he did not fall far--Ceausescu gave him the foreign trade ministry. This may be an acid test. But of course, it would be rather odd if Vaduva should prove himself in a task--to win from the West economic relief for Romania--to which he did not measure up in a different post. The new foreign minister, Ivan Totu, has economic policy experience. He was last in charge of

relations with the Eastern Council for Economic Mutual Assistance (CEMA). But this need not mean that Totu is especially fond of the Soviet Union; CEMA experience produces skepticism vis-a-vis the Soviet Union and the entire Soviet Bloc.

Five weeks after Foreign Minister Andrei, Romanian Minister of Defense Olteanu lost his job. That was in December 1985; Olteanu had just returned from Moscow where the Soviets had bestowed on him striking honors. It was said at the time that in Moscow, he had not been reserved to the extent expected of him by Ceausescu, and subsequently had no longer seemed sufficiently reliable to the party and state chief as the head of the army. But a different version also made the rounds: Olteanu had resisted Ceausescu's order to give the army control functions in industry such as power plants. The minister feared the armed forces could not cope with the responsibility thus placed on them, thereby attracting the dislike of the people. Olteanu soon reemerged as mayor and party secretary of Bucharest--and this was certainly meant as an acid test by Ceausescu. Milea became the new defense minister in December 1985; he has not been conspicuous so far.

The largest part of the latest reshuffle in Bucharest directly concerns the economy. Here in the ministries, which jointly form the top of the economic administration, the rhythm of change is particularly hectic. This is already true for the foreign trade ministry. In May 1982, Minister Burtica fell here, once a favorite of Ceausescu's. His successor Constantin was only in office for 6 months. The next minister, Pungan, managed to hold on for almost 4 years.

Last December, Ceausescu created a ministry for food which was to ensure the supply of at least the most important foodstuffs in the steadily worsening situation--the Romanian population, generally not prone to overt insubordination, had rebelled in several regions because of a shortage of food. Ceausescu appointed the well-tested high party functionary Pana to head the new ministry. He was in office less than 9 months; Ceausescu recently appointed him to head the commission which supervises local administrations. There, also, Pana can do something about food supplies. But calm and purposeful work must be difficult with such a constant back and forth. Perhaps the new Deputy Prime Minister Pacoste is to have a coordinating function in agricultural policy; he was party chief of the economically particularly active region of Timisoara in the Banat, where his career ambition stood out, and since last year he has supervised agriculture as one of the secretaries in the Central Committee.

It is almost surprising that this time there was not one of the ministers in charge of energy supplies among those dismissed. Up to now, the wheel of change turned especially fast in this sector. In spring of 1984 Cocarla, the minister in charge of electric energy, had to go. Less than a year-and-a-half later, last October, his successor Busui was publicly reprimanded and dismissed. The Minister for Mining, Stefanache, who was also responsible for coal mining, fell one day later after only 1 year in

office. The background is Romania's deplorable energy situation, a result of Ceausescu's unrealistic energy policy.

In Romania as in all communist-ruled countries, ministers are office managers bound by directions. Political decisions are made by the party leadership. According to the party constitution, that is the Political Executive Committee; in reality, however, it is the eight-member "Standing Bureau of the Political Executive Committee." In this body, where Prime Minister Dascalescu, the head of all ministers, is also a member, party and state chief Ceausescu and his wife Elena make the decisions; it appears increasingly to be she, not he. Here, in the tightest circle of the powerful, there have been no more changes in recent times. The constant see-saw of Bucharest's high personnel policy, at least at the moment, does not touch the center where policy is being made.

9917

CSO: 2300/545

POLITICS

ROMANIA

INADEQUATE MANAGEMENT OF TRAIN STATION REPORTED

Bucharest FLACARA in Romanian No 36, 5 Sep 86 p 19

[Article by Razvan Barbulescu: "There Is No Station Master at the Bacau Train Station?"]

[Excerpts] We have here one more proof that it's easier to build than to maintain. A city is built to match the heights of one's aspirations and yet everything one has built requires just as much effort to maintain. That's exactly what happened to those people charged with administering the Bacau train station. People have gotten used to having beautiful things around and started believing that, once they had those things, it would all take care of itself. That has never been the case, and it isn't the case now. Only two out of eight ticket windows are operational and even these aren't right, lacking basic information, a sign indicating which trains tickets are being sold for as well as the celebrated sign that reads "No more tickets," with the result that one learns the happy news after standing in line for half an hour. The room reserved for women and children has an announcement on the door reading: "The key is available upon request." Whose request? On Monday, 1 September, at 2 p.m., when I noticed all of this, I suggested to the railway clerk that he convince his colleagues in charge of the ticket windows that they divide their work among themselves in a more efficient manner, to avoid overcrowding, raw tempers and any ensuing uproar. He shrugged his shoulders indicating he couldn't do a thing and that he didn't care. The station master was out and the shift manager was somewhere in the yard. So who is in charge? Part of the platform has not been finished; the concrete posts were left without protective covering and the concrete has cracked; piles of boxes are sitting in front of the storage bin and have been accumulating garbage; the bookstore was closed for inventory, though no one was taking inventory; the windows hadn't been washed in a good long while; the "Loto-pronosport" office was closed even though it was supposed to be in operation; on the door of the "Artizanat" kiosk there was a note saying "I'm at the office." On top of it all, less and less sweeping is being done (last year matters were entirely different when I was at the station).

The railway station will not run by itself or maintain a beautiful appearance if it only receives negligent and careless maintenance. Uneducated attitudes and a lack of civic sense on the part of some travelers contribute, without a doubt, to the sad state of the platforms, but this is mainly the fault of those in charge. Disgust, boredom, and indifference are today the main enemies of the Bacau train station. We shouldn't wonder if tomorrow these factors cause even greater problems.

POLITICS

ROMANIA

CRITICS EXAMINE FOLK ART, KITSCH ATTITUDES

Bacau ATENEU in Romanian No 8 Aug 86 p 2

[Article by Victor Mitocaru: "Balance Sheet for August: Literary-artistic Creativity"]

[Excerpts] The activities of a worthwhile literary circle cannot be spent merely on "internal" issues such as sterile discussions exalting and proclaiming "talents" and "works of genius"--attitudes bordering on kitsch--rather, these circles must try to open themselves up to the public through meetings with well known authors, personalities of our national culture, party and state activists and workers from economic-social units of cities and villages. They must propose debates and artistic recitals paying homage to certain important moments in the history of our nation and in the struggle of communists, as well as celebrating contemporary historical achievements.

Certain artistic fields have benefitted from the influence of traditional arts and crafts, e.g., pottery, weaving, woodcarving, folk costume tailoring, which influence has been exercised through schools of folk art and culture centers, exhibitions and conferences that have served to invigorate and develop these fields. However, alongside the remarkable results obtained in the national festival "A Hymn to Romania," there has been an opportunity for kitsch art to penetrate. This phenomenon has been noticed and it is equally worrisome to researchers into folk art and creative artists. Cultural forums have taken several measures to protect and promote authentic works as well as to educate the public. More should be done along these lines. Without pausing to determine the causes of this phenomenon--which would require a more detailed investigation--we think that the multitude of defining terms, confusions and ignorance as to the significance of traditional folk art favor kitsch art and artistic forgery in general. This plurality of definitions complicates understanding.

On the other hand, as has already been noted, artistic pollution is often confused with kitsch or inauthentic art. It is undeniable that individuals who don't know anything about genuine art have hidden behind the overwhelming authority and prestige of traditional folk art, which has given them refuge, and have produced such things as painted up, miniature copies of architectural monuments, gypsum statues painted in strident colors, paintings decorated with straw, all sorts of peasant "houses," folk costumes that have nothing to do

with any particular locale, etc. In this way, the kitsch attitude becomes a conduit for proliferating and assimilating objects of poor artistic taste. Hence, the "creators" in question as well as the public must be educated so they will understand the significance of genuine folk art. Measures undertaken in connection with conferences on party ideology as well as the viewpoints expressed in speeches and presentations by Nicolae Ceausescu both have in mind the development and diversification of literary-artistic creativity as well as the consolidation of the activities of artistic circles in general.

/9274

CSO: 2700/3

POLITICS

ROMANIA

NOTED LINGUIST REVIEWS ROMANIAN LANGUAGE HERITAGE

[Editorial report] Bucharest MAGAZIN ISTORIC No 9, September 1986, carries on pages 26-27 a 1,400-word article by Acad Al. Rosetti entitled "The Romanian Language--Historical Dowry of the Romanian People." The article covers such issues as Rosetti's own conclusions on the nature of the Romanian language reached in earlier work; the contribution of major Romanian literary and cultural figures to the development of the Romanian language; and ends with some recommendations for future writers.

Rosetti (b. 1895) is a distinguished name in Romanian linguistics with a long career and an equally long list of works. A major conclusion of his work, as he himself puts it in the article, is that "the Romanian language is nothing more, nothing less than the Latin language spoken uninterruptedly on our nation's soil, from the moment of Romanization until today. It was passed on from father to son or from one generation to another. A living, dynamic phenomenon, the Romanian language perfected its means of expression in the course of centuries in a natural fashion. The vigor and suppleness of our literary language is and continues to be determined by the language of the people."

Various major Romanian cultural figures (Cantemir, Balcescu, Russo, Alecsandri) are next described as "true explorers of the treasures of the Romanian language" who paved the way for the "Eminescu phenomenon, in whose expression the spirituality of our people vibrates." Eminescu is credited with "renewing the artistic style of our literary language." Rosetti then quotes Eminescu as having said that "our language has remained almost unchanged during the past 200 years," and that "folklore, popular songs and poetry" were for him a major source of inspiration.

Literary figures who followed Eminescu such as Creanga, Caragiale, Cosbuc Sadoveanu and Petrescu have succeeded in becoming classics, according to Rosetti, thanks to their "high artistic conscience and consummate craftsmanship. Vulgar language and expression as well as abusive vocabulary do not belong in our literary language. The aesthetic norms of literature likewise reject such phenomena as schematic, impoverished and sclerotic writing styles."

In the conclusion of his article, Rosetti states that "we have a sacred duty to bequeath a rich and pure language unto our descendants through which the originality of Romanian culture can last eternally next to the great historical accomplishments of this country and this people."

POLITICS

ROMANIA

IMPORTANCE OF SCIENTIFIC TRAINING, RESEARCH, TECHNOLOGY EMPHASIZED

Bucharest CONTEMPORANUL in Romanian No 34, 22 Aug 86 p 7

[Article by Elena Solunca: "Science, a Way of Knowing and Transforming the World and an Advanced Production Force"]

[Text] The review made on the occasion of each new anniversary of 23 August, the day on which the hour of revolution and socialist construction struck in 1944, points up more and more new and more significant aspects of a major qualitative leap marked by Romania's resolute striking out on the path of material and intellectual progress and of building an increasingly humane society. Of course, we associate the highest rates of social and historical development with the 9th Congress of the RCP, when Comrade Nicolae Ceausescu was elected to serve in the highest leadership position and there began the era of the most important accomplishments in all spheres of economic and social, scientific, and cultural-artistic life leading to enhancement of the prestige of socialist Romania throughout the world. At a time defined by a new stage in the scientific and technical revolution, these major accomplishments bear the noble stamp of untiring work, widening of the horizon of knowledge, and transformation of science and technology into powerful production forces capable of imparting new socioeconomic, as well as moral and intellectual, dimensions to progress. At the Congress of Science and Education, Comrade Nicolae Ceausescu pointed out that, in all that has been achieved, "scientific and technological research have played a highly significant part. It may be said that there are no areas of activity in which the results of research and new technology have not been introduced into production." Consequently, scientists, teachers, and research workers understand how to discharge their high patriotic duties, how to develop the valuable traditions of leading minds, the founders of scientific schools of international value, to make their intelligence and creative spirit the reliable underpinning for promotion of scientific and technical progress in harmony with the demands of building a comprehensively developed socialist society.

A look back on the years marking the socialist growth of the country casts light on the revolutionary nature of the political concept of Comrade Nicolae Ceausescu by virtue of which scientific-technical and socioeconomic and human progress are understood and promoted as aspects of the same process of socialist and communist development of Romania, of creation of optimum conditions for fulfillment and free self-assertion of all its citizens. So it is that socioeconomic and human progress impart a harmonious content to

scientific and technical progress, orienting the great discoveries and creations of human genius by reliable reference points established by the values of revolutionary humanism and patriotism. Thus, the new stage of the scientific and technical revolution, because of the leading technologies which restructure the entire economic process, will lead, along with promotion of data processing, automation, and robotics applications, to essential changes in production, social, and interpersonal relationships. The building of a comprehensively developed socialist society and advancement of Romania toward communism is marked by faithful application of sociohistoric laws to the specific conditions of Romania. This integrated process, harmonious in conduct and aims, combines promotion of production relationships organized on the principles of socialist fairness, social relationships based on humanist-patriotic norms and values, development of a rich intellectual and cultural life as a response to the aspirations of the people for the true, the good, and the beautiful, and assertion of human personality in a stimulating socioeconomic atmosphere. A mutually reinforcing relationship thus arises between socio-historic and scientific-technical progress. The progress of knowledge and creativity imparts new rhythms to economic and social development, and this development in turn stimulates scientific and technical progress as an integral part of it, the two together leading to progress of man and society in its humanity. From this viewpoint, the contradictions inherent in development can be and are perceived at the optimum time for resolution in the direction of unified upward development of all economic and social life.

The perspective of progress also includes the new conception of the role of education at all levels, in view of the heightening of the scientific nature of production processes, the implications of which must be learned and subjected to the laws of historical progress. We are, of course, examining ourselves against the background of the past to be able better to discern the way travelled from a state of semi-literacy to that of a country in which approximately one-fourth of the population is enrolled in one form of education or another. However, it is equally important to bear in mind at all times the dynamics of the demands made by the scientific and technical revolution. As Comrade Nicolae Ceausescu has pointed out, "elevation of the level of professional and technical training on the basis of the latest accomplishments of science represents the decisive factor in economic and social development, in successful creation of a comprehensively developed socialist society and transition to the building of communism in Romania." Integration of education with research and production, a process initiated and improved by Comrade Nicolae Ceausescu, creates the framework for education of specialists with advanced professional training, with a broad horizon of culture and knowledge and with unimpaired moral and intellectual character. The trend toward renovation, restructuring, and reorganization of education is dictated by the scientific and technical revolution, and the specific way in which it is manifested naturally bears the stamp of each society, with its needs, aspirations, and ideals. The Romanian school at all levels has the mission and the high patriotic responsibility of training the competent specialists needed by the economy and all of social life, and to no less an extent the mission and responsibility of keeping alive the flame of science, culture, and art, of keeping the creative spirit of the people ever young, in a relay race of the generations cultivating the choicest virtues of the people under the constantly new conditions generated by the science and technology of the future.

Transformation of education into an important force of progress is one of the laws of the history of socialist Romania. It takes into account the fact that in the not too distant future the impact of the scientific and technical revolution will change the nature itself of labor, greatly reducing the physical effort involved and stimulating creative effort. In view of this prospect, it is necessary and possible for every institute of higher education, every university faculty, to be a scientific school, a powerful laboratory, and, at the same time, a production plant. In this way an optimum solution can be found within a reasonable period of time for specific problems in different sectors and areas of the economy, and longer-term research can be conducted through appropriate coordination of basic research objectives with the objectives of applied research. In the light of the objectives of the RCP 13th Congress and of the instructions and guidelines provided by Comrade Nicolae Ceausescu, many staffs of teachers and research workers participate directly in solving priority problems connected with development of an intensive high-yield economy designed to make better use of raw and intermediate materials and energy resources, improvement in processing technologies and devising of others marked by higher performance, and attainment of the objectives of the agrarian revolution. In her address to the Congress of Science and Education, Comrade Elena Ceausescu pointed out that "we must above all devote particular attention to ongoing improvement in the content and structure of education by introducing everything that is new and advanced in universal practice. Only in this way will it be possible to accomplish the profoundly humanist mission of our school of equipping graduates with a broad scientific and cultural horizon, with good specialized professional training enabling them to adapt rapidly to the changes taking place in engineering and technologies in various sectors of the economy." It is also possible in this way to cultivate the intellectual and moral-political traits of the specialist in production or research, the revolutionary spirit inherent in Romania's builders of socialist and communist history. This is so because the conscience of the future is largely a reflection of the changes brought about by science, engineering, and technology but mastered by being integrated into the horizon of humanist and patriotic values and ideals, in a political conscience on the strength of which participation in the building of socialism and communism is at the same time a means of full assertion of each personality.

Along with development of the natural sciences and leading-edge engineering and technologies, the global scope of knowledge and of many of the problems of the contemporary world makes it increasingly necessary to achieve harmonious evolution of the social and human sciences in an interdependence without which an authentic strategy of progress is inconceivable. As Comrade Nicolae Ceausescu has pointed out, "generally speaking, the social sciences should intensify certain economic and social phenomena and discern the new patterns arising in the development of society, and of socialism in particular. In this area as well we must proceed on the basis of the fact that scientific socialism has not given answers to problems that are valid for all time. To a greater extent than in other areas, the social sciences must constantly and promptly discern the new economic phenomena and act in accordance with the new realities." From the unifying viewpoint of construction of a comprehensively developed socialist society, harmonization of the development of all sciences corresponds to harmonization of the process of improvement in all areas of social and economic life in a unity forged by the efforts in labor and creative endeavor made by all

children of the country to raise Romanian to new heights of progress and civilization.

The programs and plans of great historical scope which we are resolved to carry out under the leadership of our communist party and its secretary general, Comrade Nicolae Ceausescu, presuppose as a condition sine qua non utilization of all the achievements of science exclusively for peaceful purposes and elimination of the danger of a nuclear war with its most baneful consequences for every people and all mankind. Subordination of scientific and technical progress to the ideals of progress, prosperity, and peace, which is the fundamental principle guiding all the activities of the Romanian national Science and Peace Committee headed by Comrade Elena Ceausescu, academician, doctor, and engineer, has led to unprecedented enhancement of the prestige of the Romanian scientific school. We know that the bold achievements of science in themselves merely represent increasingly efficient means, being, as has been said, ambivalent in nature. That is, they are closely linked to the purposes to which they are subordinate. This explains the need for uniting all efforts, and above all those of scientists, to make certain that the progress of knowledge and all creations of human genius will be used exclusively to ensure the progress of every people and all mankind. The union of science, progress, and peace on which is based the entire strategy of all-round socialist construction in Romania elaborated by our party and its secretary general, Comrade Nicolae Ceausescu, represents a true model of profoundly humanist thought and action determining the proportions of an historic era of unparalleled achievements, which it is our desire to make richer in a future of goodwill, cooperation, and friendship, in a better and juster world.

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CSO: 2700/297

POLITICS

ROMANIA

REVIEWS OF BOOKS DEALING WITH 23 AUGUST 1944

[Editorial report] Bucharest ROMANIA LITERARA in Romanian No 34, 21 August 1986, publishes on pages 20-21 a 4,000-word article by Cristian Popisteanu which is a review of several recently published books dealing with the events of 23 August 1944. Two of the books are co-authored by Lt General Ilie Ceausescu, entitled "Two Hundred Days Sooner" and "Romania and the Great Victory." Also reviewed is a four volume work entitled "23 August 1944—Documents" coordinated by historians Ion Ardeleanu, Vasile Arimia and Mircea Musat; "23 August 1944 in the International Context" coordinated by Gheorghe Buzatu; "August 1944, Historical Landmarks" by Florin Constantiniu; "Romania's Participation in the Defeat of Nazi Germany" by Gheorghe Zaharia and Ion Cpusa; and "The International Echo of the August 1944 Revolution and of Romania's Contribution to the War Against Hitler," author not given.

According to the reviewer, "the basic common denominator of these books is the scrupulousness and scientific care that is followed in presenting historical truth." These books, he states, are in accord with Nicolae Ceausescu's view that "the events of 23 August did not fall out of the blue, they were the result of struggles of long-standing by the Romanian people, of the fact that the Communist Party, together with other revolutionary and patriotic forces, has always been in the forefront of the struggle for the defense of the vital interests of the entire nation. There is an organic relationship between the victorious insurrection of 1944 and the program of the Romanian revolution of 1948 aimed at the unification of the principalities."

The wealth of historical research into the events of 23 August 1944 was made possible, the reviewer states, by the IXth Congress of the Romanian Communist Party, which has enabled Romanian historians to "eliminate dogmas, preconceived notions and prefabricated historical cliches, to put an end to those prejudices according to which the history of our nation could only be weighed in the shadow of a greater history."

The two books by Lt Gen Ilie Ceausescu discuss the events surrounding Romania's decision to abandon its alliance with Nazi Germany and fight against it on the side of the Soviets. In this connection, the reviewer has this to say: "It is evident that the moment of Romania's entry into the war against Hitler--an act of cardinal importance, decided entirely by national political forces--was not chosen on the basis of selfish calculations or predictions of Nazi Germany's downfall. Bucharest already knew about the remarkable importance attached by the Allies in general and the USSR in particular to Romania's withdrawal from

the coalition dominated by Nazi Germany and its entry into the war on the side of the United Nations. On 2 June 1944 representatives of the Soviet Government announced in Stockholm that the USSR would agree to respect Romania's neutrality should German troops leave the country, which was taken as an indication of the important role reserved for our country by the Allies in influencing the course of the war."

An important conclusion reached by the books under discussion, according to the reviewer, is that "Romania set an example of profound solidarity with the antifascist struggle by liberating the Hungarian, Czechoslovakian and Austrian peoples through a gigantic human and material effort paid for in blood. The Romanian army well deserved the sentiments of gratitude and love of the liberated peoples."

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CSO: 2700/4

POLITICS

ROMANIA

FICTION DEALING WITH 'HORTHYIST TERROR' REVIEWED

[Editorial report] Bucharest LUCEAFARUL in Romanian No 33, 16 August 1986 publishes on page 2 two reviews, each about 700 words long, of books dealing with various aspects of life in Transylvania after the Vienna Diktat of 1940.

The first book, by Mircea Vaida, is entitled "The Witchhunt" and was published in 1986. The reviewer is Vasile Macoviciuc. The action in the book takes place during 1944-45, during the "Horthyist terror." The central character of the book is a communist named Ioachim Platon, a pilot who (in the book) is also a known associate of Lucretiu Patrascanu, the then justice minister. Another important character is Feri Anderco, the chief of the security police in the local town, who, as the reviewer puts it, is a person of "Horthyist convictions" and whose actions are motivated by these convictions. Acts of harassment, torture and murder against the Romanian populace are conducted at Anderco's direction. Platon has it in his power to have Anderco replaced, but hesitates gathering more evidence and pondering the evidence he already has. He realizes Anderco is a perverse individual, limited and dogmatic, but is slow to realize there is more than that to his character, that the man harbors anti-Romanian sentiments. Platon eventually dies, shot under mysterious circumstances.

The second book, by Dumitru Radu Popescu, current president of the Romanian Writers Union, is entitled "The City of Angels" and was also published in 1986. The reviewer is Zaharia Sangeorzan. The action takes place in Northern Transylvania during the Horthyist occupation, 1940-44. According to the reviewer, the book "recalls the realities of the times, revealing cruelties committed by Horthyists, detailing such events as: the deportation of Jews, unbelievable atrocities against the Romanian population, the massacres of Sarmas, Tresnea and Ip, the creation of forced labor camps, etc."

The author tells his story through his characters. One important character is a Jewish woman named Estera, who "describes her ordeal after the occupation of Transylvania by Horthy in letters to her friend Valeria." Living during a period when "terror is morally permitted, when all values are upside down," Estera is driven to wonder how it is possible to "go on living without moral values." "To live in an endless nightmare, to be the victim of an absurd farce and to reject the sense of desperation day and night means living under the shadow of every imaginable humiliation." The reviewer ends by noting that "the people of Northern Transylvania were collectively the victims of this treatment, of this phenomenon and had firsthand knowledge of a barbarous regime of institutionalized terror and oppression."

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CSO: 2700/5

POLITICS

ROMANIA

BRIEFS

FOREIGN TRADE BANK APPOINTMENTS--The president of the Socialist Republic of Romania decrees that Comrade Nicolae Eremia is relieved of his position as chairman of the Administrative Council of the Romanian Foreign Trade Bank, Comrade Ion Dobrescu is appointed chairman of the Administrative Council of the Romanian Foreign Trade Bank and is relieved of his position as vice chairman of the National Bank of the Socialist Republic of Romania. Comrade Ion Prundus is relieved of his position as vice chairman of the Romanian Foreign Trade Bank. [Excerpts] [Bucharest BULETINUL OFICIAL in Romanian Part I No 53, 8 Sep 86 p 2] /9274

METALLURGICAL INDUSTRY APPOINTMENTS--The president of the Socialist Republic of Romania decrees that Comrade Costache Trotus is relieved of his position as deputy minister of the metallurgical industry and director general of the Galati iron and steel industrial central. Comrade Dan Dulama is relieved of his position as deputy minister of the metallurgical industry. [Excerpts] [Bucharest BULETINUL OFICIAL in Romanian Part I No 53, 8 Sep 86 p 2] /9274

IASI PEOPLE'S COUNCILS POSITION--On the basis of Article 97 of Law No 57/1968 on the organization and operation of the people's councils, the President of the Socialist Republic of Romania decrees that Comrade Mircea Ionescu is delegated to fill the position of first deputy chairman of the executive committee of the Iasi County People's Council. [Excerpts] [Bucharest BULETINUL OFICIAL in Romanian Part I No 53, 8 Sep 86 p 2] /9274

CSO: 2700/7

POLITICS

YUGOSLAVIA

PREWAR CRIMINAL CODE TERMED FAIRER THAN CURRENT LAW

Belgrade NEDELJNE INFORMATIVNE NOVINE in Serbo-Croatian 24 Aug 86 p 20

[Letter to editor by Milija Scepanovic: "A Stalinist Anachronism"]

[Text] I spent a large part of my working life on criminal cases grounded in this provision [Article 133 of the Criminal Code, so-called "verbal crimes"]. Nonetheless, I have the impression that the existence of this variety of criminal act in our Criminal Code is--at the very least--an unfortunate fact in every instance.

No one has examined the consequences of this disastrous dialectic more brilliantly than Nedezhda Mandel'shtam in "Fear and Hope": "Persons gifted with a voice were subjected to the most disgusting of all tortures. Their tongues were ripped out, and they were ordered to acclaim the ruler with the roots of their tongues." Society was disrupted, mistrust between individuals became the foundation of Stalinist tyranny.

Such was the appearance of the Stalinist empire and the people's state. The foundation of that empire was Article 58, paragraph 10 of the Criminal Code.

I have been thinking about this problem for a full 40 years. Precisely in 1948, this society made a powerful step out of Stalinism by codifying criminal legislation, reaffirming the principles of lawfulness and subjective responsibility, eliminating the possibility of suspicion on the basis of clues, affirming multilayered judicial appeals against first-instance verdicts, reverting to the principle of forbidding reformatio in peius (imposing a higher penalty on a defendant who has appealed a verdict), etc. We struggled mightily to get away from what had been in existence, we searched for a point of departure in the direction of freedom and civilization continuity.

However, it is an historical fact that this country has largely retained Stalinist criminal law. This is a paradox, but still true: our Criminal Code lists 46 capital penalties. For the sake of comparison, the 1929 Criminal Code of the Kingdom of Yugoslavia knew only six capital penalties. History will recognize that we renounced the Stalinist hell almost 40 years ago as a community, as a society, as a civilization, but our Criminal Code paradoxically continues to retain Article 58, later Article 118, today's Article 133, particularly in relation to the second paragraph, the second variety. If respected specialists, professors, prosecutors, and judges regard the existence

of this article in the Criminal Code as necessary, then they ought at least to look back a little and observe Article 115 of the 1929 Criminal Code of the Kingdom of Serbs, Croats, and Slovenes. This article will show them that the elements of this criminal act can be defined without providing blanket discretionary authority, without being based on the self-generating concept of suspicion and evil intentions; instead, what is decisive consists of potential materialized elements, ruling out arbitrariness and abuse. What is most important, human speech is liberated from informers and arbitrariness.

The first element of the particular essence of the criminal act of hostile propaganda under Article 115 of the Criminal Code of the Kingdom of Serbs, Croats, and Slovenes unambiguously requires speech to have been "public" and for speech, writings, pictures, or any other means to have incited "forcible revolution or the forcible disruption of the social order or of the internal security of the Kingdom or particular parts thereof...." In other words, speech must have been public and must have contained a call for violent revolution. Society protected itself adequately thereby but wisely avoided the general self-generation of possible accusations and suspicions. Insolent behavior on the part of investigative agencies was thereby precluded. This would be in harmony with the principles of our Code of Criminal Procedure, which guarantees that the guilty will be punished but the innocent protected. Such a definition of the elements of the criminal act would satisfy another requirement of the Code of Criminal Procedure to the effect that the personality and dignity of the accused must not be violated,

A society wanting creative persons and a self-managing society must find a way to eliminate fear of the spoken word.

If we cannot eliminate this evil, then let us seek a synthesis in our civilizational potentialities. This article of the Criminal Code retards our growth and is a threat to conversation, dialogue, enlightenment, search for the truth, and critical thinking. This is a dangerous article, all the more so because we are a heterogeneous society and because the oligarchy at every level--commune, republic, province--has obtained a whole self-contained system of persecution.

Should not logic also tell us this: the absence of dialogue brought us the Kosovo situation, debts, the investment fiascos of Obrovac and FENI, technological and other backwardness, fragmented "national" economies, and the abolishment of the unified Yugoslav market. Article 133, formerly 118, of the Criminal Code is responsible for the absence of dialogue, the absence of normal communication.

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CSO: 2800/6

POLITICS

YUGOSLAVIA

SERBIA'S COMMODITY TRADE SURPLUS NOTED

Belgrade DUGA in Serbo-Croatian 9 Aug 86 p 4

[Unsigned commentary: "'Desirable' Unitarianism"]

[Text] Some politicians are constantly blabbering about the threat to AVNOJ [wartime assembly] principles and the 1974 constitution, and about the efforts of "certain individuals" to endanger the rights of the republics and the constituent status of the provinces in the federation. Every mention of an all-Yugoslav spirit is a target for attack, and unitarianism is ascribed more and more frequently to officials in Serbia, who are quite outspoken in this respect.

So far as material evidence for such accusations are concerned, however, the critics are shorthanded, either out of ignorance or as an intentional cover-up--we do not know. For this reason, here are a few data.

The republics and provinces are responsible under the constitution, among other things, for commodity trade with the rest of the world. Little is said about this in the right way. A report came out recently that the deficit in January-June 1986 totaled \$1.82 billion, but without details as to who contributed what to this enormous burden. So that this will not remain a secret to the public, here are the indicators.

Montenegro showed a deficit of \$10,000,000; Kosovo \$11,000,000; Slovenia \$21,000,000; Bosnia and Hercegovina \$54,000,000; Macedonia \$161,000,000; Vojvodina \$286,000,000; and Croatia \$420,000,000. If we add the federal deficit of \$197,000,000, the negative balance is \$1.160 billion. Under the system by which positive and negatives balance out, Serbia's positive balance of \$78,000,000 reduces the negative balance of the other eight participants in this equation. Such has been the case for several years. This "unitarianism," obviously, does not bother the "defenders of the constitution."

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